

SE/CS/2026-27/19

June 24, 2026

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001  
Scrip Code – 530871

National Stock Exchange of India Limited  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (W),  
Mumbai – 400 051  
Scrip Code – CHEMBOND

**Ref: ISIN: INE995D01025**

**Sub: Notice of 51<sup>st</sup> Annual General Meeting (AGM) and Annual Report for FY: 2025-26**

Dear Sir/Madam,

This is to inform you that, the 51<sup>st</sup> AGM of the Company will be held on Friday, July 17, 2026 at 10.00 a.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).

Pursuant to Regulation 30 and 34(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2025-26 along with the Notice convening the 51<sup>st</sup> AGM of the Company.

Notice of the 51<sup>st</sup> AGM and Annual Report for the financial year 2025-26 can also be downloaded from website of the Company <https://chembond.in/annual-reports/>.

The same shall be taken on record and suitably disseminate to all concerned.

Thanking You,

Yours faithfully

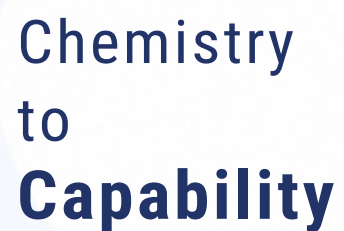
**For Chembond Material Technologies Limited**  
(formerly Chembond Chemicals Limited)

**Suchita Singh**  
Company Secretary & Compliance Officer

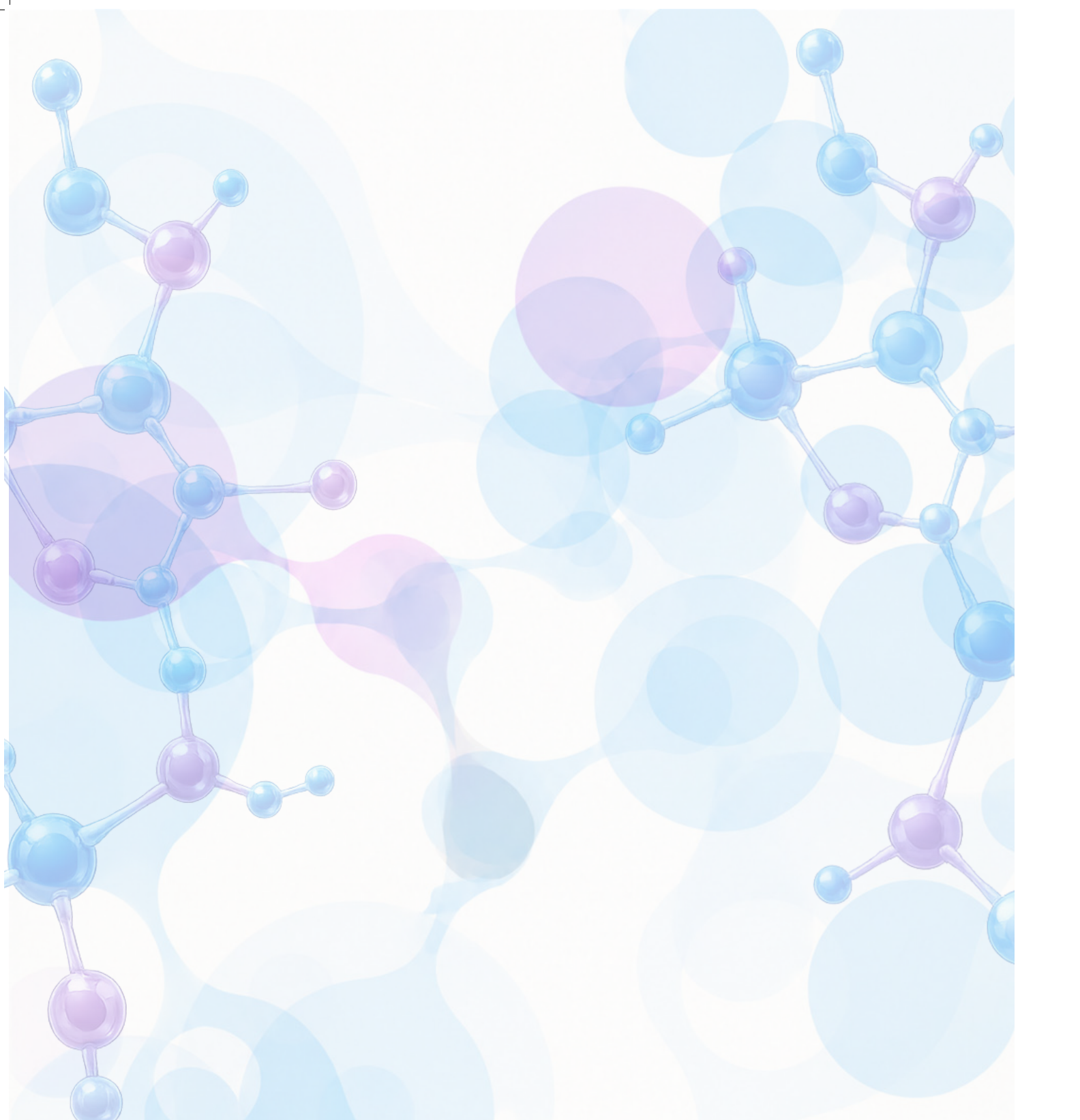


51<sup>st</sup>  
**Annual Report**  
**2026**

Chembond Material Technologies Limited



Chemistry  
to  
**Capability**



The reports and discussions herein are based on the audited standalone and consolidated financial statements of Chembond Material Technologies Limited and its subsidiary, Chembond Biosciences Limited (together referred to as “the Group”) and covers the financial results and other developments from April 1, 2025 to March 31, 2026. The financial year 2025-26 is referred to as “the year” and the financial year 2024-25 is referred to as “the previous year”.

**Forward Looking Statements**

Some statements in this discussion describing the projections, estimates, expectations or outlook may be forward looking. However, the actual future results may differ from those implied owing to various factors, risks and uncertainties. The Company undertakes no obligations to update or revise forward-looking statements based on any subsequent developments, information or events.

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**Chief Financial Officer**  
Rashmi S. Gavli

**Statutory Auditor**  
M/s. Kastury & Talati  
Chartered Accountants

**Cost Auditor**  
Aatish & Associates

**Company Secretary**  
Suchita Singh

**Secretarial Auditor**  
Virendra Bhatt

**Bankers**  
HDFC Bank Limited

**Registrar & Transfer Agent**  
MUG Intime India Pvt.Ltd.  
(formerly Link Intime India Pvt. Ltd.)

**Plants**  
Alandi, Pune  
Mahape, Navi Mumbai  
Rabale, Navi Mumbai  
Tarapur, Maharashtra

**Registered Office**  
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Email : [info@chembond.in](mailto:info@chembond.in)  
Website : [www.chembond.in](http://www.chembond.in)  
CIN : L24100MH1975PLC018235

BOARD OF DIRECTORS

**Mrs. Gorsii Parekh**  
Independent Director

**Mr. Jayesh Shah**  
Independent Director

**Mr. Jaywant Tawade**  
Executive Director

**Mr. Kamal Tandon**  
Independent Director

**Mr. Mayank Shah**  
Independent Director

**Mr. Nirmal V. Shah**  
Non-executive Director

**Mr. Sameer V. Shah**  
Chairman & Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS

### Global Economy

The global economy navigated a complex and uncertain environment during the year, shaped by ongoing geopolitical conflicts, including the prolonged Russia–Ukraine war and tensions in the Middle East, which contributed to volatility in energy markets, raw material prices, and supply chains. Global industries faced challenges from uneven economic growth, fluctuating commodity prices, and persistent geopolitical risks, prompting businesses to focus on operational efficiency, supply chain diversification, and cost optimization. Looking ahead, the global outlook remains cautiously optimistic, supported by technological innovation, infrastructure investments, and the continued adaptation of businesses to a changing economic environment, although geopolitical developments and trade uncertainties continue to pose risks to the pace of recovery.

### Indian Economy

Despite this challenging global environment, the Indian economy sustained its growth momentum during FY 2025-26, supported by domestic demand, infrastructure investments, and policy measures. Government initiatives such as the Production Linked Incentive (PLI) scheme, further strengthened India's industrial and manufacturing ecosystem.

### Chemical Industry

The Indian chemical industry demonstrated resilience during FY 2025-26 despite ongoing geopolitical uncertainties, volatile raw material prices, and uneven global demand. As the 6<sup>th</sup> largest chemical producer globally and 3<sup>rd</sup> in Asia, India continues to strengthen its position as a key manufacturing hub, with the sector contributing approximately 7% to the country's GDP and 8.1% of manufacturing Gross Value Added (GVA) (source: PIB Note). Supported by robust domestic consumption, increasing investments, and the diversification of global supply chains, the industry benefited from growing demand across pharmaceuticals, agrochemicals, personal care, construction, automotive, and consumer goods sectors. The specialty chemicals segment remained a key growth driver, leveraging India's cost competitiveness, process expertise, and innovation capabilities. Looking ahead, the Indian

chemical industry, estimated at around US\$250 billion, is expected to grow to nearly US\$300 billion by 2028, supported by capacity expansions, export opportunities, sustainability-focused products, and government initiatives promoting manufacturing and self-reliance (source: IBEF). While challenges arising from geopolitical developments and global competitive pressures may persist, India's strong manufacturing ecosystem and increasing focus on value-added specialty chemicals position the industry for sustainable long-term growth.

### Industry Structure and Developments

The world navigated a period of uncertainty in the fourth quarter of FY26. Elevated crude oil prices caused cascading effects on raw material prices, supply chains were disrupted, and geopolitical uncertainties further contributed to cost volatility.

Due to continued good performance by the Indian economy in the previous quarters and the resilience shown by the manufacturing sector, India's GDP grew by 7.7%, the highest again among major economies. Inflation remained within the band targeted by the RBI.

### About Chembond Material Technologies and Chembond Biosciences

Founded in 1975 by Dr. Vinod D. Shah, Chembond Material Technologies Limited is a leading manufacturer of automotive sealants, adhesives, metal treatment chemicals and other high-performance products, recognized for innovation and long-standing customer partnerships. Listed on the NSE and BSE, Chembond Material Technologies delivers reliable solutions across multiple industries, supported by advanced manufacturing facilities, strong R&D capabilities, and internationally certified quality systems.

Chembond Biosciences Limited focuses on animal health and nutrition. Supported by strong scientific research and global quality standards, this division delivers trusted and advanced solutions for poultry, dairy, and aqua segments. With modern fermentation and manufacturing facilities, it produces high-quality enzymes, probiotics, prebiotics, and nutritional products, backed by robust technical support, consistent service, and a strong commitment to excellence.

## Financial Performance

We achieved a significant milestone during the year, with sales growth of nearly 25% at both standalone and consolidated levels. In absolute terms, both product margin and gross margin increased approximately by 17% and 16%, respectively, on a standalone basis, while on a consolidated basis, they registered growth of around 20% and 21%, respectively. However, the sharp increase in raw material prices from late Q3 onwards resulted in a decline of over 2% point in our product and gross margins. Despite this pressure,

our operational EBITDA for the year grew by 2% and 29% respectively on standalone and consolidated basis. With no clarity yet on how long the prevailing crisis in the middle east will last, and with lag in our customers accepting the necessary price increases, we are dealing with an unique situation – our bottom-line is under stress due to elevated input cost but sales are growing, our investments over the past years in technology and people are resulting in increased acceptance and market penetration.

## Standalone and Consolidated

(₹ in lakhs)

Particulars	Standalone			Consolidated		
	2025-26	2024-25	% ▲	2025-26	2024-25	% ▲
Net Sales	21,014.12	17,120.70	23	25,007.40	20,129.99	24
Product Margin	8,474.48	7,260.51	17	10,248.85	8,521.63	20
Gross Margin	7,231.93	6,234.62	16	8,988.55	7,458.01	21
Selling & Admin	2,831.98	2,420.14	17	3,435.21	3,020.13	14
Employee Cost	3,165.98	2,500.40	27	3,745.42	3,079.55	22
EBITDA#	1,718.83	1,684.27	2	2,277.83	1,770.25	29
PBT	1,021.01	1,919.05	-47	1,551.38	1,946.10	-20

## Ratio Analysis

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Product Margin, % of Sales	40.33	42.41	40.98	42.33
Gross Margin, % of Sales	34.41	36.42	35.94	37.05
Selling & Admin Costs, % of Sales	13.48	14.14	13.74	15.00
Employee Costs, % of Sales	15.07	14.60	14.98	15.30
% EBITDA to Sales	8.18	9.84	9.11	8.79
Operating Profit Margin (%)	5.87	7.68	7.23	6.75
Net Profit Margin (%)##	3.65	9.65	5.10	8.41
Return on Net Worth (%)##	4.60	10.50	7.72	11.25
EPS (Basic & Diluted)	5.77	12.81	9.59	13.06
Debt / Equity Ratio	-	-	0.02	0.02
Debtors Turnover	4.24	4.19	4.71	4.98
Inventory Turnover	6.98	6.67	7.45	7.16
Current Ratio	2.76	2.66	2.37	2.23

# EBITDA excludes effect of unrealised gain/(loss) on fair value of investments. EBITDA on consolidated basis grew by 24% on the backdrop of significant increase in revenue from operations, better utilisation of existing resources and controlled cost, though there was sharp increase in raw material prices.

## Net profit margin, return on net-worth and return on capital employed has dropped due to fall in fair value of investments and rise in input cost.

There is no significant change (i.e. change more than 25% compared to FY 2024-25) in other key financial ratios for FY 2025-26.

The other important note about the results is the reduction in other income on account of reduction of the fair market value of our investments. This being a notional number, it is not too much of a concern. On a more positive note, you can see from the consolidated operating profit margins above, that we are now able to better absorb the resources after the demerger.

### Segment Performance

#### Biotech

The Indian animal health market is witnessing strong growth, supported by government initiatives, improved veterinary infrastructure, rising awareness of preventive healthcare, and advancements in diagnostics. The market, valued at ₹92.62 billion in 2025, is projected to reach ₹171.91 billion by 2034, growing at a CAGR of 7.11% (source: IMARC). Growth is further driven by expansion in commercial livestock, increasing pet ownership, and greater focus on the “One Health” approach integrating animal, human, and environmental health.

Animal feed supplements are additives or dietary components that are provided to animals, typically livestock and poultry, in addition to their regular feed or forage to enhance their nutritional intake and overall health. These supplements are carefully formulated to meet specific nutritional needs, promote optimal growth, improve feed efficiency, and address any deficiencies or health issues in animals. By incorporating these supplements, farmers and animal caretakers can maintain the health and productivity of their livestock, ensuring better quality products for consumers.

With an increasing population, changing dietary preferences, and a focus on sustainable and ethical farming practices, the demand for high-quality animal feed supplements is likely to remain strong.

Amidst this positive industry outlook, Chembond Biosciences achieved sales of ₹42.15 Cr, registering a growth of 28.4% over the previous year. This performance was driven by focused seasonal campaigns, customer engagement initiatives, brand-building activities such as webinars and nukkad meetings. The introduction of new products also strengthened our market presence and competitiveness.

#### Material Technologies

The Material Technologies business grew by almost 25% over prior year led by good performance in automotive sealants and continued expansion in metal treatment chemicals, high-performance coatings, and engineering adhesives. Cost optimization, quality benchmarking

and investment in newer product technologies remained key focus areas across all divisions. The Sealants business delivered an outstanding year. Continuing from the past couple of years, new customers were added and new business was won at existing customers. The highlight in this segment was the introduction of new products that are comparable to or more advanced in technology than what are offered by our competitors. A couple examples – a low density underbody coating that enables the OEM to reduce weight and material consumption without any compromise in performance and a seam sealant that eliminates the need for a separate curing oven. These are significant achievements and there are several such breakthroughs in the pipeline, which will lead to similar performance in the future with more OEM customers, Indian as well as multinational, getting added to our customer list.

The Metal Treatment Chemicals business expanded its footprint across all sub-segments and across the country.

In Engineering Adhesives, Chembond is expanding its product range to include electronic adhesives and battery pack adhesives for a strategic entry into new markets such as electronic components and battery packs for EV's & electricity storage. Your Company was also able to successfully develop products to replace imports from its erstwhile US based technical partner, ND Industries, Inc.

### Outlook on Opportunities, Threats, and Risks & Concerns

Chembond is well placed to capitalise on the growing demand India's economy is certain to generate. Chembond has taken several measures like strengthening its product development activities, improving its manufacturing efficiencies, attaining increasing quality standards, developing new technologies, to sustain in today's competitive world.

#### Opportunities:

- Continued growth of the Indian economy and higher consumption driven by economic stability, moderate inflation, and the demographic dividend.
- Growth of the Indian automotive industry and increasing adoption of advanced sealing technologies.
- Large-scale expansion projects in the Indian steel industry leading to more demand for treatment solutions; environment-friendly chemistries;

- d) Increasing penetration of white goods in the country and in the Indian subcontinent and neighbouring countries.
- e) Rising per capita protein consumption and shift from vegetarian to flexitarian diets gives us an opportunity to increase our animal health & nutrition business.

### Threats:

- a) Intense competition from global MNCs with larger R&D capabilities and established OEM relationships.
- b) Price-led competition in our market segments from global MNC's as well as local companies.
- c) Impact on margins and sales due to economic or geopolitical events, like wars that result in higher raw material costs or delivery delays that create supply chain instability.
- d) Digitization of the industry increases the risk of cyberattacks, which may lead to data loss, operational disruption and financial loss.
- e) Chemical manufacturing processes are subject to environmental hazards, including pollution and waste management issues.

### Risks & Concerns:

The growth of the performance materials and biosciences industry is driven by a need for constant innovation. A strong R&D focus ensures such innovation, quality management, and cost reductions. Your Company has been increasing its investments in strengthening its in-house development capabilities.

The Company is exposed to safety, health, and environmental risks, given the diversity and complexity of the industry in which your Company operates. The Management's commitment towards employee safety, health and the environment extends beyond accidents and occupational health hazards to social well-being of employees. The Company conducts frequent SHE audits to confirm its framework protocol and regulatory compliances, safety trainings are conducted across all locations to nurture a culture of awareness and responsible behaviour. The Company has a Safety, Health and Environment Policy entailing its commitment towards high standards across its facilities.

Macro-economic conditions like the policy decisions of the government, currency fluctuations and volatility in commodity prices can affect the business of the Company. As the Company's revenue generating sources are diversified into various sectors having strong domestic demand, such risks are mitigated to some extent.

### Research & Development

This area has seen substantial investment and effort over the past few years. Sales of the Automotive Sealants segment have increased at a CAGR of 30% over the last three years. Almost all of the sales growth has been from new products that were introduced during this period like the two new products mentioned in the section above. In FY26, a new product development center for sealants, adhesives, and coatings was established at Alandi at a cost of over ₹ 5 crore including on infrastructure and state of the art instrumentation. We now have 14 scientists, engineers, chemists working at this facility (up from 8 last year). Similarly, the laboratories for metal treatment chemicals at the head office in Mahape are also being upgraded. Such investments, a higher than proportionate R&D spend, will continue in the medium term because we see the results of this focus and because this is possibly the only way in which we can outgrow the competition.

### Safety, Health, Environment and Quality

At Chembond, health, safety, environmental and sustainability stewardship are deeply embedded in our organizational values. We remain committed to maintaining a safe and healthy work environment, beyond statutory compliance, while strengthening our position as the first-choice partner for our diverse customer base. Our operational framework focuses on exceeding customer satisfaction through implementation of management system standards such as ISO 9001, ISO 14001, ISO 45001, IATF 16949 and FAMI-QS. We consistently monitor and evaluate leading indicators and near-miss incidents, while sharing key learnings across the Group to foster proactive risk management. These initiatives are periodically reviewed at the Board and senior leadership levels, reinforcing accountability and governance. As a responsible organization, we actively support global climate action efforts by reducing our carbon footprint by using renewable energy sources in our operations. This process-driven approach ensures that partnering with Chembond means choosing

operational excellence, enhanced safety, and a highly sustainable supply chain.

### Human Resources

In the past year, our Human Resources function has taken a focused and forward-looking approach toward strengthening our people capabilities. We have invested in structured learning initiatives, with several senior leaders participating in leadership development programs at reputed institutes, enhancing strategic thinking and decision-making at the top. In parallel, selecting high-potential talent has undergone customized development journeys aimed at elevating both individual effectiveness and organizational performance. Our continued emphasis on digital transformation has led to significant upgrades in HR systems, enabling greater transparency, streamlined processes, and improved operational efficiency. We have introduced progressive policy enhancements designed to better support the evolving work-life needs of our employees, reinforcing our commitment to building a resilient, engaged, and future-ready workforce.

### Industrial / Employee Relations

The Company maintained stable, cordial, and harmonious industrial and employee relations across all its operations throughout the year under review. The management continued to emphasize employee engagement, workplace well-being, skill development, and transparent communication as key drivers of organizational effectiveness. No man-days were lost due to industrial disputes, strikes, lockouts, or any other employee-related actions during the year.

### Internal Control Systems and their Adequacy

The Company has established a robust internal control framework designed to ensure operational efficiency and effectiveness, reliability of financial reporting, compliance with applicable laws and regulations, prevention and detection of fraud and errors, and safeguarding of Company assets, while remaining aligned with its strategic objectives and evolving business requirements. The internal control systems are commensurate with the Company's size, nature, geographic presence, and the complexity of its operations across both entity and process levels.

Financial management is driven through a structured annual budgeting framework, with periodic reviews across operating and service functions to ensure alignment with business priorities and performance goals.

The Company's ERP platform incorporates comprehensive built-in checks and controls to strengthen operational governance and financial discipline. Chembond leverages the SAP S/4HANA platform for data capture, accounting, consolidation, and management reporting, enabling enhanced accuracy, transparency, and efficiency. Automated controls are embedded across key processes to minimize deviations and exceptions in line with global best practices. The system also maintains a comprehensive audit trail through logging, monitoring, and evaluation of data changes, while ensuring systematic recording of accounting entries across all business transactions.

The internal control framework provides reasonable assurance regarding the effectiveness of operations, reliability of financial reporting, compliance with applicable laws and regulations, prevention and detection of fraud and errors, and safeguarding of Company assets. To further strengthen financial governance, the Company has implemented an Internal Financial Controls (IFC) framework to ensure the adequacy and effectiveness of controls over financial reporting.

The internal control environment is further supplemented through independent internal audits conducted by external Chartered Accountants and periodic management reviews. The internal audit programme assesses the adequacy and effectiveness of controls across all significant operational areas of the Company. Based on audit findings, process owners undertake necessary corrective and preventive actions within their respective functions, thereby continuously strengthening the overall control environment.

The Audit Committee periodically reviews reports from Management, internal auditors, and statutory auditors to assess the adequacy and effectiveness of internal controls and monitor corrective actions. Significant audit observations and remediation measures are reviewed by the Committee, which also engages with Statutory Auditors on the effectiveness of the internal control framework and apprises the Board of key observations and recommendations.

### Corporate Social Responsibility (CSR)

#### Chembond Children's Centre

The Chembond Children's Centre operates educational centres across six villages in the Tarapur region, reaching and supporting more than 300 children.

The primary objective of these centres is to complement the formal school curriculum by providing individualized academic support, while also fostering the holistic development of children. Special emphasis is placed on enhancing the self-confidence and self-esteem of girls through activities such as martial arts, sports, and life-skills training.

In addition to academic assistance, the Chembond Children's Centre provides nutritious meals, organizes health-care and life-skills workshops, conducts educational camps, and supports students in accessing scholarship opportunities.

The key objectives of the Chembond Children's Centre are:

To equip children, particularly girls, with diverse skills that enable them to shape their future with confidence and independence. Guided by a strong commitment to women's empowerment and education, the programme encourages girls and women to recognize their self-worth, realize their potential, develop sustainable livelihoods, and lead self-reliant lives.

To create opportunities for the overall development of children in rural communities, enabling them to become responsible individuals who actively contribute to society and their surroundings.

To strengthen academic achievement by building a robust foundation in literacy and numeracy, enhancing mathematical understanding, problem-solving capabilities, and reading, writing, and comprehension skills.

To support early childhood education through a focused approach to language development, motor skills, emotional well-being, and healthy habits, thereby establishing a strong foundation for future learning. The programme also promotes regular engagement with parents, encouraging their active participation in their child's educational journey.

During the year under review, the Company contributed ₹21.55 lakhs to Visan Trust towards the operation of the Chembond Children's Centre. Details relating to the Corporate Social Responsibility (CSR) Committee, CSR Policy, and other related matters form part of the Board's Report.

### Disclosure of Accounting Treatment

Chembond has prepared financial statements for the FY 2025-26 in accordance with the Indian Accounting Standards (IND AS) as specified under Section 133 of the Companies Act, 2013.

### Outlook

The outlook for the Indian economy and your Company in 2026-27 remains good.

The Economic Survey projects real GDP growth in FY27 in the range of 6.8 to 7.2%. The outlook, therefore, is one of steady growth amid global uncertainty, requiring caution, but not pessimism.

On behalf of the Board

sd/-

**Sameer V. Shah**

Chairman & Managing Director

DIN: 00105721

Navi Mumbai

May 15, 2026

## 10 Years' Financial Performance Standalone (₹ in lakhs except per share data and ratios)

Highlights	2025-26	2024-25	2023-24 Restated	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Operating Result</b>										
Revenue From Operations	21,014.12	17,120.70	15,334.04	5,086.45	4,563.92	4,203.69	5,854.29	15,628.96	23,779.03	24,367.32
Other Income	266.41	719.97	1,405.08	541.34	1,010.51	1,191.20	655.81	564.58	1,048.47	1,682.00
Finance Cost	11.91	9.05	24.72	6.48	4.82	7.11	4.86	29.12	54.60	63.88
Depreciation	350.46	260.68	289.41	243.87	269.93	280.46	279.84	287.77	287.18	274.10
PBT	1,021.01	1,919.05	1,942.87	455.37	1,092.78	1,264.90	530.81	706.27	1,406.12	1,729.97
PAT	775.89	1,722.36	1,382.45	395.93	874.37	967.32	554.16	633.15	1,359.31	1,451.50
Dividend on Equity Shares	235.35	470.69	403.45	672.41	302.59	-	537.93	248.79	221.90	-
<b>Financial Position</b>										
Equity Share Capital	672.41	672.41	672.41	672.41	672.41	672.41	672.41	672.41	672.41	672.41
Reserves (Less Revaluation Reserve)	16,289.36	15,728.11	14,471.00	23,508.05	23,828.85	23,257.87	22,291.87	22,282.45	21,907.35	20,765.91
Net Worth	16,961.77	16,400.52	15,143.41	24,180.46	24,501.26	23,930.28	22,964.28	22,954.86	22,579.77	21,438.32
Borrowings	-	-	-	-	-	-	-	-	467.12	732.18
Net Block (Asset)	4,246.04	4,080.84	3,903.35	3,552.68	3,252.55	3,414.79	3,652.39	3,763.63	3,805.35	3,936.97
<b>Ratios</b>										
Return on Average Networth %(RONW) (PAT divided by Average Networth)	5%	11%	7.0%	1.63%	3.61%	4.13%	2.41%	2.78%	6.18%	7.01%
Return on Average Capital Employed % ( ROCE) (PBIT divided by Average Fund Employed Excluding Def tax liab)	6%	12%	10%	1.90%	4.55%	5.45%	2.35%	2.90%	6.46%	8.35%
Gross Gearing % (Debt as a percentage of Debt plus Equity)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.03%	3.30%
Current Ratio (Current Assets divided by Current Liabilities**)	2.76	2.66	2.65	6.39	9.95	7.45	7.73	4.33	1.78	3.13
Asset Turnover Ratio (Net Sales divided by Total Assets)	0.99	0.85	0.81	0.20	0.18	0.17	0.24	0.62	0.85	0.89
Earning Per Share (Basic)*	5.77	12.81	10.28	2.61	6.53	7.18	4.12	4.71	10.11	10.81
Dividend Per Share	1.75	3.50	3.00	5.00	2.25	-	4.00	1.85	1.65	-
Book Value per Share*	126.13	121.95	112.60	179.80	182.19	177.94	170.76	170.69	167.90	159.41

"Pursuant to Composite Scheme of Arrangement, the Company has restated FY 2023-24 figures wherever necessary to conform with current year classification and presentation as per IND-AS 103 business combination, hence prior years figures are not comparable."

The Company has adopted Ind-AS accounting standards with effect from 1<sup>st</sup> April 2016, hence FY 2017 onwards, the financials are reported as per Ind-AS and are not strictly comparable with previous Years. For FY 2016, Balance sheet items are as per Ind-AS.

\* Adjusted for Subdivision of Shares in September 2016 from face value of ₹10/- each to ₹5/- each

\*\* Current Liabilities excludes Short Term Borrowing and Current maturities of Long term Debt

## 10 Years' Financial Performance Consolidated

	2025-26	2024-25	2023-24 Restated	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Highlights</b>										
<b>Operating Result</b>										
Revenue From Operations	25,007.40	20,129.99	17,824.43	44,044.41	34,898.08	27,444.58	26,804.28	30,130.94	33,422.81	32,086.11
Other Income	266.94	761.68	1,405.74	463.61	861.08	1,533.09	303.78	393.14	1,064.02	1,829.86
Finance Cost	36.69	63.79	76.03	104.13	68.91	42.19	78.29	78.20	118.21	116.67
Depreciation	354.32	264.86	293.54	450.53	447.86	455.45	434.90	423.98	410.67	381.56
PBT	1,551.38	1,946.10	1,669.47	3,366.79	2,053.76	2,852.92	789.21	2,440.59	2,790.28	3,021.42
PAT	1,289.07	1,756.24	1,117.63	2,477.19	1,398.57	2,040.89	308.50	1,983.64	2,356.77	2,285.73
Dividend on Equity Shares	235.35	470.69	403.45	672.41	302.59	-	537.93	248.79	221.90	-
<b>Financial Position</b>										
Equity Share Capital	672.41	672.41	672.41	672.41	672.41	672.41	672.41	672.41	672.41	672.41
Reserves (Less Revaluation Reserve)	16,021.70	14,944.13	13,651.82	31,515.01	29,722.64	28,646.73	26,195.52	25,471.56	24,162.33	22,335.46
Net Worth	16,694.12	15,616.54	14,324.24	32,187.41	30,395.05	29,319.14	26,867.93	26,143.97	24,834.75	23,007.87
Borrowings	415.70	264.63	668.30	731.47	150.63	188.06	337.82	670.22	908.96	888.25
Net Block (Asset)	4,271.78	4,104.86	3,927.60	11,648.61	12,069.50	12,155.39	12,391.26	10,921.78	10,813.77	4,912.55
<b>Ratios</b>										
Return on Average Networth % (RONW) (PAT divided by Average Networth)	8.0%	11.7%	4.8%	7.92%	4.68%	7.26%	1.16%	7.78%	9.85%	10.42%
Return on Average Capital Employed % ( ROCE) (PBIT divided by Average Fund Employed Excluding Def tax liab)	9.63%	13.02%	7.29%	10.94%	7.07%	10.21%	3.21%	9.58%	11.72%	13.69%
Gross Gearing % (Debt as a percentage of Debt plus Equity)	2.43%	1.67%	4.46%	2.22%	0.49%	0.64%	1.24%	2.50%	3.53%	3.72%
Current Ratio (Current Assets divided by Current Liabilities**)	2.37	2.23	2.13	2.72	3.59	3.24	3.71	3.47	2.42	3.37
Asset Turnover Ratio (Net Sales divided by Total Assets)	1.14	1.00	0.93	1.10	0.97	0.78	0.83	0.94	1.03	1.00
Earning Per Share (Basic)*	9.59	13.06	8.31	18.36	10.35	15.13	1.39	12.88	16.34	14.40
Dividend Per Share	1.75	3.50	3.00	5.00	2.25	-	4.00	1.85	1.65	-
Book Value Per Share*	124.14	116.12	106.51	239.34	226.01	218.01	199.79	194.40	184.67	171.08

Pursuant to Composite Scheme of Arrangement, the Company has restated FY 2023-24 figures wherever necessary to conform with current year classification and presentation as per IND-AS 103 business combination, hence prior years figures are not comparable.

The Company has adopted Ind-AS accounting standards with effect from 1<sup>st</sup> April 2016, hence FY. 2017 onwards, the financials are reported as per Ind-AS and are not strictly comparable with previous Years. For FY 2016, Balance sheet items are as per Ind-AS.

\* Adjusted for subdivision of Shares in September 2016 from face value of ₹10/- each to ₹5/- each

\*\* Current Liabilities excludes Short Term Borrowing and Current maturities of Long term Debt

## BOARD'S REPORT

To,

The Members,

Your Directors take pleasure in presenting the 51<sup>st</sup> Annual Report on the business and operations of your Company together with the audited financial statements for the year ended March 31, 2026.

### State of the Company's Affairs

#### Financial Results

The financial performance of your Company is as summarized below:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	21,014.12	17,120.70	25,007.40	20,129.99
Total Expense	20,142.52	16,076.36	23,590.49	19,100.30
Profit Before Tax	1,021.01	1,919.05	1,551.38	1,946.10
Profit for the Year	775.88	1,722.36	1,289.07	1,756.24
Add: Balance as per last year	12,533.66	11,281.99	11,738.41	10,452.86
<b>Total</b>	<b>13,309.54</b>	<b>13,004.35</b>	<b>13,027.48</b>	<b>12,209.10</b>
<b>Appropriation</b>				
General Reserves	-	-	-	-
Dividend Paid	(235.35)	(470.69)	(235.35)	(470.69)
Tax on Dividend Paid	-	-	-	-
<b>Balance carried to Balance Sheet</b>	<b>13,074.20</b>	<b>12,533.66</b>	<b>12,792.13</b>	<b>11,738.41</b>

### Results of Operations

#### Income

During the year under review, consolidated revenue from operations were ₹25,007.40 lakhs as compared to ₹20,129.99 lakhs in the previous year. On a standalone basis, your Company's revenues from operations were ₹21,014.12 lakhs as compared to ₹17,120.70 lakhs in the previous year.

#### Profit Before Tax

Consolidated profits before tax for the current year were ₹1,551.38 lakhs as against ₹1,946.10 lakhs in the previous year. On a standalone basis, your Company's profits before tax for the current year were ₹1,021.01 lakhs as against ₹1,919.05 lakhs in the previous year.

#### Profit After Tax

Consolidated profit after tax for the current year were ₹1,289.07 lakhs as against ₹1,756.24 lakhs in the previous year. On a standalone basis, your Company's profit after tax for the current year were ₹775.88 lakhs as against ₹1,722.36 lakhs in the previous year.

#### Nature of Business

The Company continues to engage in manufacturing specialty chemicals like high performance coatings, automotive sealants, metal treatment chemicals, engineering adhesives, and animal health and industrial biotech products.

#### Dividend

The Board of Directors have recommended a final dividend of ₹2.00 (Rupees Two only) per share (40%) for the financial year ended March 31, 2026.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 2025.

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(“the Listing Regulations”), the Board of Directors of the Company have voluntarily adopted a Dividend Distribution Policy (“Policy”) which endeavours for fairness, consistency and sustainability while distributing profits to the shareholders. Dividend payout is in accordance with the Policy which is available on the website of the Company i.e. <https://chembond.in/all-policies/>.

## Share Capital

The movement of paid-up equity capital is as under:

Particulars	No. of Equity Shares	Equity Share Capital (₹)
Equity Capital as on April 1, 2025	1,34,48,288	6,72,41,440
Increase/ Decrease during the year	Nil	Nil
Equity Capital as on March 31, 2026	1,34,48,288	6,72,41,440

During the year 2025-26, there was no change in the paid-up capital of the Company.

Your Company has only one class of equity shares and it has neither issued shares with differential rights for dividend, voting or otherwise, nor issued shares (including sweat equity shares) to the employees or directors of the Company, under any Scheme.

No disclosure is required under Section 67(3)(c) of the Companies Act, 2013 (“the Act”) in respect of voting rights not exercised directly by the employees or key managerial personnel of the Company as the provisions of the Section are not applicable.

## Transfer to Reserves

The Board of Directors have decided to retain the entire amount of profits for FY 2025-26 in the retained earnings. (Previous year Nil)

## Deposits

The Company has not accepted any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

## Particulars of Loans, Guarantees and Investments

Details of loans, guarantees and investments have been disclosed in the Financial Statements.

## Subsidiary

Your Company has one subsidiary company namely Chembond Biosciences Limited.

The details of financial performance of the subsidiary are given in AOC-I as **Annexure 1**.

Further, pursuant to the provisions of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiary, is available on the Company’s website <https://chembond.in/subsidiary-financials/>.

## Promoters

The Promoter Group’s holding in the Company as on March 31, 2026 was 68.08% of the Company’s paid-up equity capital. The members may note that the shareholding and other details of Promoters has been provided in the Annual Return.

## Directors

The Company acknowledges that a diverse Board is integral to its sustained growth, long-term success, and effective corporate governance. Board diversity enriches decision-making by bringing varied perspectives and experiences, enabling a deeper understanding of stakeholder interests and strengthening risk management practices. It also promotes innovation, reflects the diversity of the Company’s stakeholders, and contributes positively to its financial performance and corporate reputation.

As of the date of this Report, the Board comprises seven(7) Directors, including one Non-executive Non-Independent Director, two Executive Directors, and four Independent Directors, one of whom is a Woman Independent Director. The Chairman of the Board is an Executive Director.

## Appointment of Director

Mr. Jaywant Tawade (DIN: 08231696) was appointed as an Executive Director of the Company for a period of three (3) years, w.e.f. May 31, 2025 and shareholders approval was accorded at the 50<sup>th</sup> Annual General Meeting (AGM) held on August 14, 2025.

Mr. Kamal Tandon (DIN:09664746) was appointed as an Independent Director of the Company for a period of five (5) years w.e.f. July 16, 2025 till July 15, 2030 and shareholders approval was accorded at the 50<sup>th</sup> AGM on August 14, 2025.

## Director Retiring by Rotation

In accordance with the provisions of Section 152(6) of the Act, Mr. Jaywant Tawade (DIN:08231696) Executive Director, retires by rotation and being eligible, offers himself for re-appointment. His background is given in the Notice, which forms part of Annual Report.

## Inter-se Relationship between Directors

Mr. Sameer Shah, Chairman & Managing Director and Mr. Nirmal Shah, Non-executive Director are relatives (siblings). Apart from this none of the Directors of the Company are in any way related to each other.

## Declaration by Independent Directors

All the Independent Directors of the Company have furnished a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) and Regulation 25 of the Listing Regulations. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfil the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act.

The Directors also furnished declaration of independence as required under the Listing Regulations.

## Policy on Directors appointment and remuneration

The Company has put in place an appropriate policy on appointment and remuneration of Directors and other matters provided under Section 178(3) of the Act. This policy is uploaded on the Company's website <https://chembond.in/all-policies/>. Salient features of the policy on remuneration of Directors have been disclosed in the Notice of this Annual Report.

## Performance Evaluation and Its Criteria

Pursuant to the provisions of the Act and the Corporate Governance requirements prescribed under the Listing Regulations, the Board of Directors conducted an annual evaluation of its own performance, the performance of its Committees, and that of the individual directors for the financial year under review.

The evaluation of the Board and its Committees was carried out after considering inputs received from the directors and committee members. The assessment covered various aspects, including the composition and structure of the Board and Committees, effectiveness of their functioning and decision-making processes, quality and adequacy of information flow, and overall governance practices. The Board and the Nomination and Remuneration Committee ("NRC") also evaluated the performance of individual directors based on parameters such as participation and attendance at meetings, preparedness, constructive contribution to discussions, and guidance provided on matters deliberated by the Board and its Committees.

In accordance with the applicable regulatory requirements, the Independent Directors, at their separate meeting held on February 5, 2026, reviewed and evaluated the performance of the Non-Independent Directors, the Board as a whole, and the Executive Directors of the Company. The Independent Directors also assessed the quality, quantity, and timeliness of information made available to the Board and its Committees and were satisfied that the information flow was adequate to enable the Directors to effectively discharge their duties and responsibilities.

## Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, Mr. Sameer Shah, Chairman & Managing Director, Mr. Jaywant Tawade, Executive Director, Mrs. Rashmi Gavli, Chief Financial Officer and Mrs. Suchita Singh, Company Secretary are the Key Managerial Personnel of the Company as on the date of this Report.

## Number of Board Meetings

Six (6) meetings of the Board were held during the year under review, details of which are furnished in the Corporate Governance Report forming part of the Annual Report. The maximum gap between two Board Meetings did not exceed 120 days, as prescribed under the Act.

## Audit Committee

The details in respect of role/powers/composition of the Audit Committee and other information are included in the Corporate Governance Report forming part of this Annual Report.

## Incentive / Commission to Directors

Based on the Company's performance during FY 2025-26 and pursuant to the recommendation of the NRC, the Board of Directors, at its meeting held on May 15, 2026, approved an incentive/performance-linked bonus of ₹50.00 lakhs for Mr. Sameer Shah. The said amount shall be paid during FY 2026-27.

The NRC also recommended payment of commission to the Non-executive Directors for FY 2025-26, not exceeding 1% of the net profits of the Company computed in accordance with Section 198 of the Act. A total sum of ₹3.60 lakhs collectively to the Non-executive Directors was approved by the Board. The commission shall be paid during FY 2026-27.

## Annual Return as on March 31, 2026

The Annual Return as provided under Section 92(3) read with Section 134(3)(a) of the Act as prescribed in Form No. MGT-7 of the Companies (Management and Administration) Rules, 2014, is available on the website of the company at <https://chembond.in/annual-reports/>.

## Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section, forming part of this Annual Report.

## Corporate Governance & Vigil Mechanism

A separate Report on Corporate Governance, prepared in compliance with Regulation 34(3) read with Schedule V of the Listing Regulations forms an integral part of this Annual Report. The report provides a comprehensive overview of the Company's governance framework, policies, and practices adopted to ensure transparency, accountability, and ethical business conduct. A certificate from Mr. Virendra G. Bhatt, Practicing Company Secretary and Secretarial Auditor of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations, forms part of this Annual Report as **Annexure 2**.

The Company has established a robust Vigil Mechanism through its Whistle Blower Policy, which enables Directors and employees to report genuine concerns relating to unethical behaviour, actual or suspected fraud, violations of the Company's Code of Conduct, applicable laws, regulations, or internal policies. The Policy promotes a culture of integrity, transparency, and accountability across the organization and provides adequate safeguards against victimization of individuals who raise concerns in good faith. It also facilitates direct access to the Chairperson of the Audit Committee in appropriate and exceptional circumstances. During the year under review, the Company continued to strengthen awareness of the vigil mechanism among employees and encouraged timely reporting of concerns. The Whistle Blower Policy is available on the Company's website at <https://chembond.in/all-policies/>.

## Risk Management

Pursuant to the requirements of the Listing Regulations, the Company has constituted a Risk Management Committee to oversee the implementation and effectiveness of its risk management framework. The Committee is entrusted with, inter alia, formulating and reviewing the risk management plan, identifying and monitoring critical risks, apprising the Board of significant changes in the risk profile on an ongoing basis, reporting critical risks to the Audit Committee annually, and discharging such other responsibilities as may be assigned by the Board from time to time.

The Company has in place a comprehensive risk management policy and Plan, which is available on the Company's website at <https://chembond.in/all-policies/>. The Committee periodically reviews the Company's risk management framework and monitors the effectiveness of the mitigation measures adopted.

In the opinion of the Board, no risk has been identified during FY 2025-26 that may materially threaten the existence of the Company. Details of the composition and meetings of the Risk Management Committee are provided in the Corporate Governance Report forming part of this Annual Report.

## Internal Financial Control System

The Board of Directors is responsible for establishing and maintaining adequate internal financial controls in accordance with the provisions of Section 134 of the Act.

The Company has in place a comprehensive and effective internal control framework designed to ensure orderly and efficient conduct of its business operations, adherence to the Company's policies and procedures, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. The internal financial control system is commensurate with the size, scale, nature, geographical spread and complexity of the Company's operations and is regularly reviewed to ensure its continued effectiveness.

The Company maintains well-defined policies, standard operating procedures, authority matrices and control mechanisms across all key business and financial processes. These controls are designed to provide reasonable assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, safeguarding of assets against unauthorized use or disposition, compliance with applicable laws, regulations and internal policies, and timely identification and mitigation of operational and financial risks.

The internal control environment is supported by periodic management reviews, risk assessment processes, monitoring mechanisms and internal audit evaluations. Significant observations and recommendations arising from internal audits are reviewed by the Audit Committee and corrective as well as preventive actions are implemented wherever necessary. Key financial controls are tested periodically to assess their operating effectiveness, and appropriate measures are taken to strengthen controls in areas requiring improvement.

Based on the evaluation carried out during the year, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively as at March 31, 2026. No material weaknesses were identified in the design or operation of such controls. Further, during the year under review, no instances of fraud were detected or reported to the Audit Committee.

## Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, in respect of the year ended March 31, 2026, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) they took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they prepared the annual accounts on a going concern basis;
- (e) they laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Auditor's and Auditor's Report

### Statutory Auditors

The Board at its meeting held on May 30, 2025 followed by Shareholders approval at the 50<sup>th</sup> AGM held on August 14, 2025 appointed M/s. Kastury & Talati, Chartered Accountants (Firm Reg. No. 104908W) as Statutory Auditor of the Company for a period of five (5) years i.e. from the conclusion of the 50<sup>th</sup> AGM held on August 14, 2025 until the conclusion of 55<sup>th</sup> AGM to be held in the FY 2030 at a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditor.

The Report given by the Auditors on the financial statements of the Company is part of this Report. There has been no modified opinion, qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report during the year under review and the observations and comments given in the report of the Statutory Auditors read together with Notes to Accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134 (f)(i) of the Act.

## Cost Auditor

As per the requirement of Central Government and pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records every year.

The Board of Directors on the recommendation of Audit Committee, at their meeting held on May 15, 2026 appointed M/s. Aatish & Associates, Cost & Management Accountants, Mumbai, (FRN: 006726/ Membership No. 30105) as the Cost Auditor to conduct audit of the cost records of the Company for FY 2026-27. The Company is seeking the approval of the Members for the remuneration to be paid to M/s. Aatish & Associates, Cost & Management Accountant for the FY ending March 31, 2027.

M/s. Aatish & Associates have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that the appointment meets the requirements of Section 141(3)(g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company.

The relevant Cost Audit Report for the FY 2024-25 was filed with Ministry of Corporate Affairs on August 29, 2025 in Form CRA-4.

## Secretarial Auditor & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of Listing Regulations, Mr. Virendra G. Bhatt, Practicing Company Secretary (C.P. No.: 124) has been appointed as Secretarial Auditor of the Company for a period of five (5) years from FY 2025-26 till FY 2029-30 and same was approved by shareholders at the 50<sup>th</sup> AGM held on August 14, 2025.

The Secretarial Audit Report in Form MR- 3 for the Financial Year ended March 31, 2026 is annexed as **Annexure 3**.

There are no qualification, reservation, adverse remark or disclaimer given by the Secretarial auditor in their report for the year under review.

## Reporting of Fraud

During the year under review, the Statutory Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Annual Report.

## Compliance with Secretarial Standards

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Meetings of Board of Directors and General Meetings and such systems were adequate and operating effectively.

## Particulars of Employees and Key Managerial Personnel

The statement containing particulars of employees as required under Section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed to this Report as **Annexure 4**.

## Employee Stock Option Scheme

Your Company has adopted CHEMBOND Employees Stock Option Scheme 2025 (“CHEMBOND ESOP 2025”) for granting options to eligible employees of your Company as approved by the Members of your Company at the 50<sup>th</sup> AGM held on August 14, 2025.

The applicable disclosures as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the details of stock options as at March 31, 2026 under the ESOP 2025 are set out in the Report as **Annexure 5**.

## Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee and adopted a CSR Policy to guide the Company’s CSR initiatives. The Company continues to undertake and contribute towards CSR activities in compliance with the applicable provisions of the Act.

The CSR Policy is reviewed and updated periodically to align with the evolving regulatory framework, including the requirements of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. The Policy is available on the Company’s website at <https://chembond.in/all-policies/>.

The Company’s CSR philosophy is driven by its commitment to creating sustainable value for society through initiatives that emphasize scale, measurable impact and long-term sustainability. Details relating to the composition, terms of reference and meetings of the CSR Committee are provided in the Corporate Governance Report forming part of this Annual Report.

During FY 2025-26, the Company spent ₹21.55 lakhs towards CSR activities through Visan Trust. The Company has identified key focus areas for its CSR interventions in line with the objectives set out in its CSR Policy. Further details of the CSR initiatives undertaken during the year are provided in the Annual Report on CSR Activities annexed to this Report as **Annexure 6**.

## Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report for the year ended March 31, 2026 as stipulated under Regulation 34(f) of the Listing Regulations is not applicable to the Company.

## Prevention, Prohibition and Redressal of Sexual Harassment of Women

The Company is committed to providing and maintaining a safe, secure and inclusive work environment that is free from sexual harassment and discrimination. In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”), the Company has adopted a comprehensive Anti-Sexual Harassment Policy. The Policy on Prevention of Sexual Harassment at Workplace is available on the Company’s website at <https://chembond.in/all-policies/>.

An Internal Complaints Committee (ICC) has been duly constituted to address and redress complaints relating to sexual harassment in accordance with the provisions of the POSH Act. The Policy extends to all employees of the Company, including permanent, contractual, temporary employees and trainees. The Company also conducts awareness and training programmes to educate employees on the provisions of the POSH Act and to promote a respectful and dignified workplace culture.

During the financial year under review, no complaint pertaining to sexual harassment was received by the ICC.

## Compliance with Maternity Benefit Act, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance.

## Policies and Disclosure Requirements

Pursuant to the provisions of the Act and the Listing Regulations, the Company has adopted all applicable policies and procedures. These policies are available on the Company’s website at <https://chembond.in/all-policies/>.

All Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the FY 2025–26.

The Company's policy on the appointment and remuneration of Directors, including the criteria for determining qualifications, positive attributes and independence of Directors, as well as other matters specified under Section 178(3) of the Act, is embodied in the Nomination and Remuneration Policy. Details of the Policy are provided in the Corporate Governance Report forming part of this Annual Report.

### Particulars of Related Party Transactions

All related party transactions entered into by the Company during the financial year under review were undertaken in the ordinary course of business and on an arm's length basis. Accordingly, such transactions did not attract the provisions of Section 188(1) of the Act. Consequently, the disclosure in Form AOC-2, as prescribed under the Act, is not applicable to the Company for FY 2025-26 and does not form part of this Report.

The Company has complied with the applicable requirements relating to related party transactions and has made appropriate disclosures in the Notes to the Financial Statements in accordance with the provisions of Indian Accounting Standard (Ind AS) 24 – Related Party Disclosures.

The Board has approved a Policy on Related Party Transactions to ensure transparency and compliance with the applicable statutory and regulatory requirements. The said Policy is available on the Company's website at <https://chembond.in/all-policies/>.

### The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, are provided in **Annexure 7**.

### Research and Development

The Company recognizes the need to have well equipped R&D facilities to meet customer requirements and in developing cutting edge products. As a natural corollary your Company continues to invest in a comprehensive R&D programme leveraging its world-class infrastructure, benchmarked processes, state-of-the-art technology and a business-focused R&D strategy.

The Company has spent approx. ₹359.12 lakhs during the year under report on research and development.

### Transfer to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 of the Act, dividends remaining unpaid or unclaimed for a period of seven(7) consecutive years from the date of their transfer to the Company's Unpaid Dividend Account are required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, in accordance with Section 124 of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all shares in respect of which dividends have remained unpaid or unclaimed for seven consecutive years or more are required to be transferred to the demat account of the IEPF Authority.

During the year under review, the Company transferred the requisite shares to the demat account of the IEPF Authority in compliance with the applicable statutory provisions. Prior to such transfer, the Company had individually communicated with the concerned shareholders whose shares were liable to be transferred and had also published notices in newspapers in accordance with the prescribed requirements. The details of such shareholders and the shares transferred to the IEPF Authority have been uploaded on the Company's website for the information of stakeholders.

Members and claimants whose shares and/or unclaimed dividend amounts have been transferred to the IEPF Authority may claim the same by submitting an application in Form IEPF-5, available on the IEPF website ([www.iepf.gov.in](http://www.iepf.gov.in)), in accordance with the prescribed procedure. As per the IEPF Rules, only one consolidated claim can be filed by a claimant in a financial year.

### IEPF Saksham Niveshak Campaign

The Company undertook a 100-day investor awareness campaign "Saksham Niveshak", as initiated by the Investor Education and Protection Fund Authority, Ministry of Corporate Affairs, during the period from July 28, 2025 to November 6, 2025.

The Company has also initiated actions under the second Saksham Niveshak Campaign which started from April 1, 2026.

### Material Changes and Commitment

Except as disclosed elsewhere in the Report, there have been no material changes and commitment affecting, the financial position of your Company, which have occurred between the end of the financial year of the Company and the date of this Report.

## Significant and Material Orders

During the year under review, there has been one pending litigation against the Company and its Directors whose order is yet to be received. The matter is explained in detail in the Corporate Governance Section of the Annual Report. Except this there has been no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its future operations.

## Proceedings Pending under the Insolvency and Bankruptcy Code

There are no such proceedings or appeals pending and no applications has been filed under Insolvency and Bankruptcy Code, 2016 during the year under review and from the end of the financial year upto the date of this report.

## The details of difference between amount of the valuation done at the time of One-time settlement and the valuation done while taking loan from the Banks or Financial Institutions

No such instance of one-time settlement or valuation was done while taking or discharging loan from the Banks/ Financial Institutions occurred during the year.

## Acknowledgements

Your Board wishes to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by customers, vendors, employees, government authorities, bankers, and members during the year under review and look forward to their continued support.

On behalf of the Board

sd/-

**Sameer V. Shah**

Chairman & Managing Director

DIN: 00105721

Navi Mumbai

May 15, 2026

**Annexure 1**  
**Form AOC-1**

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture as on March 31, 2026

Part "A": Subsidiaries

(₹ in lakhs)

Sr. No	Name of subsidiary	Date since when the subsidiary was incorporated or acquired	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
1	Chembond Biosciences Limited	01.07.11	01.04.25 till 31.03.26	INR	190	(267.65)	1,721.11	1,798.76	-	4,208.18	530.37	17.18	513.18	-	100

1. Name of Subsidiaries which are yet to commence operations: None

2. Names of Subsidiaries which have been liquidated and sold during the year: None

On behalf of the Board

sd/-

**Sameer V. Shah**

Chairman & Managing Director

DIN: 00105721

Navi Mumbai

May 15, 2026

**Annexure 2**

CERTIFICATE OF CORPORATE GOVERNANCE

To,  
The Members of  
**Chembond Material Technologies Limited**  
(formerly known as Chembond Chemicals Limited)

I have examined the compliance of Corporate Governance by **Chembond Material Technologies Limited** (formerly known as Chembond Chemicals Limited) ("the Company") for the year ended 31<sup>st</sup> March, 2026, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations for the year ended 31<sup>st</sup> March, 2026.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I am of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

I further state that such compliance is neither an assurance to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Date: May 15, 2026**  
**Place: Mumbai**  
**UDIN: A001157H000368084**

sd/-  
**Virendra G. Bhatt**  
**Practicing Company Secretary**  
**ACS No.: 1157 / COP No.: 124**  
**Peer Review Cert. No.: 6489/2025**

**Annexure 3**

**Form No.: MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.: 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

**Chembond Material Technologies Limited**  
(formerly known as Chembond Chemicals Limited)  
Plot No EL-71, TTC Ind Area MIDC,  
Mahape, Thane, Maharashtra, India, 400710

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chembond Material Technologies Limited** (formerly known as Chembond Chemicals Limited) (hereinafter called “the Company”). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s statutory registers, minute books, forms and returns filed with the Registrar of Companies (‘the ROC’), soft copy of various records sent over mail as provided by the Company and other relevant records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2026 (“audit period”), , prima facie complied with the statutory provisions listed hereunder and also that the Company has prima facie proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the statutory registers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);
- (iii) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to

the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings– (Not applicable during the audit period);

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Though the following laws are prescribed in the format of Secretarial Audit Report, the same were not applicable to the Company for the financial year ended 31<sup>st</sup> March, 2026:

- (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
- (vi) I further report that, based on the Compliance Report of various Laws submitted by Department Heads of the Company, I am of the opinion that the Company has prima facie proper system to comply with the applicable laws.
- (vii) I have also examined compliance with the applicable clauses and I am of the opinion that the Company has prima facie complied with the applicable provisions of the Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

During the audit period, I am of the opinion that the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

### I further report that:

1. I have not examined the Financial Statements, Financial books, related financial Acts and Related Party Transactions etc., For these matters, I rely on the report of statutory auditors for Financial Statement for the financial year ended 31<sup>st</sup> March, 2026.
2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were prima facie carried out in compliance with the provisions of the Act.
3. As per the information provided prima facie adequate notice is given to all Directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the Meeting and for meaningful participation at the Meeting.
4. All the decisions at the Meetings were carried out unanimously.
5. There are prima facie adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.
6. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.
7. I further report that during the audit period, no specific events / actions which have a major bearing on the Company's affairs have taken place, in pursuance of the above referred laws, rules, regulations and standards except for the following:
8. Obtained approval from its Members at the 50<sup>th</sup> Annual General Meeting of the Company held on 14<sup>th</sup> August, 2025-
  - i. The Company has declared a Final Dividend Rs.1.75/- (Rupee One and Paisa Seventy Five only) (35%) per equity share of face value of Rs. 5/- each fully paid-up for the financial year ended March 31, 2025.
  - ii. Resignation received from SHBA & Co LLP (Firm Reg. No. 101046W / W100063) Statutory Auditors of the Company from the date of ensuing 50<sup>th</sup> AGM of the Company. Appointed M/s. Kastury & Talati, Chartered Accountants (Firm Reg. No. 104908W) as Statutory Auditor of the Company from the date of ensuing 50<sup>th</sup> AGM for a term of 5 years i.e. till the 55<sup>th</sup> AGM to be held in the year 2030.
  - iii. Appointed Mr. Virendra Bhatt, Practicing Company Secretary (ACS No. 1157/ COP No. 124) as Secretarial Auditor of the Company for a period of five consecutive years commencing from financial year 2025-26 till financial year 2029-30.
  - iv. Re-appointment of Mr. Sameer V. Shah (DIN:00105721) as the Chairman & Managing Director of the Company for a term of 3 years w.e.f. August 1, 2025 till July 31, 2028.
  - v. Appointed and Regularised Mr. Jaywant K. Tawade (DIN:08231696) as an Additional (Executive) Director of the Company w.e.f. May 31, 2025 for a period of three years.
  - vi. Appointed and Regularised Mr. Kamal Tandon (DIN: 09664746) as an Independent Director of the Company for a period of five years w.e.f. July 16, 2025.
  - vii. Mr Ashwin R. Nagarwadia (DIN:00466681), Non-executive Director resigned with effect from the end of the day on May 30, 2025 due to advancing age.
  - viii. Dr. Prakash Trivedi completed his 2<sup>nd</sup> term of 5 consecutive years as an Independent Director and ceased to hold office with effect from May 21, 2025.
  - ix. Took approval of Chembond Employees Stock Option Scheme 2025 (CHEMBOND ESOP 2025)
9. During the audit period, the Company under "Chembond Material Technologies Limited -Employee Stock Option Scheme 2025" ("CHEMBOND ESOP 2025 / Scheme") granted 34,238 (Thirty-Four Thousand Two Hundred and

- Thirty Eight) Stock options to eligible employees of the Company and its Subsidiary Company.
10. Mr. Nirmal V. Shah (DIN:00083853) stepped down from the position of Vice-Chairman and Managing Director, w.e.f. EOD May 30, 2025. He continues as a Non-executive Director of the Company.
  11. The Hon'ble National Company Law Tribunal, Mumbai Bench sanctioned the Composite Scheme of Arrangement between Chembond Chemicals Limited ("Demerged Company"/ "Transferee Company"/ "Company") and Chembond Chemical Specialties Limited ("Resulting Company" or "CCSL") and Chembond Clean Water Technologies Limited ("Transferor Company No. 1" or "CCWTL") and Chembond Material Technologies Private Limited ("Transferor Company No. 2" or "CMTPL") and Phiroze Sethna Private Limited ("Transferor Company No. 3" or "PSPL") and Gramos Chemicals (India) Private Limited ("Transferor Company no. 4" or "GCIPL") and their respective shareholders pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and rules made thereunder vide their order dated April 7, 2025 (Certified Copy received on April 22, 2025).
  12. During the audit period, inter se transfer of Equity Shares by way of gift amongst promoters in accordance with Regulation 10(5) and Regulation 10(6) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 is prima facie complied with the provisions of the Regulations.
  13. I further report that during the audit period, there were no instances of:
    - i. Public/ Rights/ Preferential issue of shares/ debentures/ sweat equity, etc.;
    - ii. Redemption / Buy-back of securities;

- iii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs.
- iv. Foreign Technical Collaborations.

### I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. Compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Date: May 15, 2026  
Place: Mumbai  
UDIN: A001157H000367921

sd/-  
**Virendra G. Bhatt**  
Practicing Company Secretary  
ACS No.: 1157 / COP No.: 124  
Peer Review Cert. No.: 6489/2025

## Annexure 4

### Information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**a) Ratio of remuneration of each Director to the median employee's remuneration for the financial year.**

Name	Designation	Ratio to median remuneration
Sameer Shah	Chairman & Managing Director	24.09
Jaywant Tawade	Executive Director	NA

**b) Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary.**

Name	Designation	% increase
Sameer Shah	Chairman & Managing Director	20.01*
Jaywant Tawade	Executive Director	NA
Rashmi Gavli	Chief Financial Officer	18.84
Suchita Singh	Company Secretary	15.94

*\*This reflects the clubbing of remuneration of Mr. Sameer Shah from subsidiary company. Currently, he draws remuneration only from one company.*

**c) Remuneration to Executive Directors from wholly owned subsidiary**

During the FY 2025-26, Mr. Sameer Shah – Chairman and Managing Director & Mr. Jaywant Tawade – Executive Director received remuneration of ₹14.85 lakhs (4 months) and ₹17.95 lakhs respectively from Chembond Biosciences Limited, WOS Company.

**d) The percentage increase in the median remuneration of employees: 13.59%**

**e) The number of permanent employees: 283**

The total employees at group level : 292

**f) Average percentile increase made in the salaries of employees other than key managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average increase made in the salaries of employees other than key managerial personnel during the year is 24.01% versus 18.54% increase in managerial remuneration.

There are no other exceptional circumstances for increase in the remuneration of key managerial personnel and increase in remuneration has been in accordance with the Company's policies. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time.

**g) The statement containing names of top ten(10) employees in terms of remuneration drawn and particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report.**

In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure are related to any Director of the Company.

h) The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

On behalf of the Board

sd/-

**Sameer V. Shah**

Chairman & Managing Director

DIN: 00105721

Navi Mumbai

May 15, 2026

## Annexure 5

Disclosure under 62(1)(b) of the Act read with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 in relation to Chembond Material Technologies Limited Employee Stock Option Plan 2025 (CHEMBOND ESOP 2025) are appended below:

Sr. no.	Particulars	CHEMBOND ESOP 2025	
1	Date of shareholders approval	14-Aug-2025	
2	Total No of Options approved under ESOP	400,000	
3	Vesting Requirements	The options granted shall vest after 1 year but not later than 5 (five) years from the Grant Date.	
4	Date of Grant	16-Jan-2026	16-Jan-2026
5	Exercise price or pricing formula	₹ 164	₹ 115
6	Maximum term of options granted	5 years	5 years
7	Source of Shares	Primary	Primary
8	Variation in terms of option	NA	NA
9	Method of Option Valuation	Market Value*	Market Value*
10	Option Movement during the year		
	Number of Options outstanding at the beginning of the period	-	-
	Number of Options granted during the year	23688	10550
	Number of Options forfeited / lapsed during the year	-	-
	Number of Options vested during the year	-	-
	Number of Options exercised during the year	-	-
	Number of Shares arising as a result of exercise of options	-	-
	Money realized by exercise of options (INR)	-	-
	Loan repaid by the Trust during the year from exercise price received	NA	NA
	Number of Options outstanding at the end of the year	23688	10550
	Number of Options exercisable at the end of the year	-	-
11	Weighted average exercise price of Options granted during the year whose		
	(a) Exercise Price equals market price	-	-
	(b) Exercise Price is greater than market price	-	-
	(c) Exercise Price is less than market price	-	-

Sr. no.	Particulars	CHEMBOND ESOP 2025		
12	Weighted average fair value of Options granted during the year whose			
	(a) Exercise Price equals market price	-		
	(b) Exercise Price is greater than market price	-		
	(c) Exercise Price is less than market price	-		
13	Employee wise details of Options granted during the financial year 2025-26 to:			
i.	Senior Management Personnel			
	Name	Designation	Options granted during the year	Exercise Price
	Rashmi Gavli	Chief Financial Officer	1299	164
	Suchita Singh	Company Secretary	100	115
ii.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year			
	Name	Designation	Options granted during the year	Exercise Price
	None			
iii.	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant			
	Name	Designation	Options granted during the year	Exercise Price
	None			

*\*3 months average of daily opening and closing price of the equity shares of the Company on the recognized stock exchange having highest trading volume on which the equity shares of the Company are listed on the date immediately prior to the grant date subject to maximum discount of 30%.*

Note:

- (1) Other details as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof are mentioned in the notes to the financial statements, the same forms part of this Annual Report.
- (2) There were no material changes in the scheme and the scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendment thereof.
- (3) As there is no issue of shares under the Scheme there is no impact on diluted EPS.

On behalf of the Board

sd/-

**Sameer V. Shah**

Chairman & Managing Director

DIN: 00105721

Navi Mumbai

May 15, 2026

## Annexure 6

### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2025-26

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

The Company has done various CSR activities through Visan Trust in the areas of education to underprivileged children. Some of the Projects are Visan Trust Girls Education Project and Chembond Children's Centre which runs non-formal education centres at Pasthal and Shirgaon near Tarapur. During the year Company has donated CSR amount to Visan Trust.

#### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings held	Number of meetings attended
1	Gorsi Parekh	Chairperson	2	-
2	Sameer Shah	Member	2	2
3	Mayank Shah	Member	2	2

The web links are as follows:

- Composition of CSR Committee: <https://chembond.in/composition-of-committees/>
- CSR Policy: <https://chembond.in/all-policies/>
- CSR projects approved by the Board: <https://chembond.in/all-policies/>

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

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

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

#### 5. Average net profit of the Company as per Section 135(5): ₹1,076.74 lakhs

- Two percent of average net profit of the company as per Section 135(5): ₹21.53 lakhs
- Surplus arising out of the CSR projects or programmes or activities of the previous fy: Nil
- Amount required to be set off for the fy, if any: Nil
- Total CSR obligation for the fy (7a+7b-7c): ₹ 21.53 lakhs

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

Total amount spent for the financial year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
21.55	Nil	NA	NA	Nil	NA

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

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

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

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
1.	Child Education/ Woman Empowerment	(ii)	Yes	Maharashtra	Palghar	21.55	No	Visan Trust	CSR00009446
	<b>Total</b>					<b>21.55</b>			

**(d) Amount spent in Administrative Overheads: Nil**

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

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 21.55 lakhs**

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

Sr. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	21.53
(ii)	Total amount spent for the fy	21.55
(iii)	Excess amount spent for the fy [(ii)-(i)]	0.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.02

8. (a) **Details of unspent CSR amount for the preceding three financial years: Nil**
- (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA**
9. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):**
- (a) **Date of creation or acquisition of the capital asset(s): NA**
- (b) **Amount of CSR spent for creation or acquisition of capital asset: NA**
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA**
- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA**
10. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): NA**

sd/-  
**Sameer V. Shah**  
Chairman & Managing Director  
DIN: 00105721

Navi Mumbai  
May 15, 2026

sd/-  
**Gorsi Parekh**  
Chairperson, CSR Committee Independent Director  
DIN: 00343194

**Annexure 7**

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Particulars required under Section 134 of the Companies Act, 2013 including rules framed there under:-

**(A) Conservation of Energy**

**(i) The steps taken or impact on conservation of energy:**

The Company continues measures to reduce energy consumption at its plants and offices by improving energy intensive manufacturing process.

**(ii) The steps taken by the Company for utilizing alternate sources of energy.**

The Company has installed solar power systems at its head office and at the plant in Alandi.

**(iii) The capital investment on energy conservation equipment: ₹150.39 lakhs**

**(B) Technology Absorption**

**(i) The efforts made towards Technology Absorption:**

The Company has an on-going process of Research & Development and the Company continues its efforts to assimilate group technology for introducing new products and improving product quality. The management is focused on introduction of high-end technology within the country and abroad.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**

In view of the measures taken by the Company, the consumption of energy reduced by satisfactory levels.

**(iii) In case of imported technology (imported during the last three years reckoned from beginning of the financial year):**

The details of technology imported:

The year of import:

Whether the technology has been fully absorbed:

If not fully absorbed, areas where absorption has

not taken place, and the reasons thereof:

} NA

**(iv) The expenditure incurred on Research & Development**

(₹ in lakhs)

Particulars	2025-26	2024-25
Revenue Expenditure	269.58	259.76
Capital Expenditure	89.54	38.96
<b>Total</b>	<b>359.12</b>	<b>298.72</b>

**(C) Foreign Exchange Earnings**

(₹ in lakhs)

Particulars	2025-26	2024-25
Earning in Foreign Exchange (Export of Goods)	401.64	330.45

On behalf of the Board

sd/-

**Sameer V. Shah**

Chairman & Managing Director

DIN: 00105721

Navi Mumbai

May 15, 2026

## REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance for the financial year ended March 31, 2026 as per Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), in the prescribed format is given below:

### Company’s Philosophy on Corporate Governance

Corporate Governance is an integral part of our system, improving productivity and expansion and enhancing investor confidence. The Company’s philosophy underlying Corporate Governance seeks to create a system of “Checks and balances” based on transparency, integrity, clarity and consistency in the dealings of the Company with its stakeholders. Good Governance ensures that the best corporate practices are followed by the Company. Implementation of good governance indicates not only the compliance of the Laws and Regulations of the land but also indicates the values, practices, and culture of your organization. Our Company is committed to adopt the best Corporate Governance practices and endeavors to continue implementing the code of Corporate Governance in its true spirit. Our Company has made Corporate Governance a practice and a process of development throughout the Organization.

The Company’s Governance Structure comprises of the Board of Directors and Committees of the Board, which function on the principles of prompt decision making, statutory compliance, accurate and timely disclosures, transparency and monitoring in order to create a value addition for its stakeholders

The Company emphasizes the need for full transparency, accountability and conducting its business in highly professional and ethical manner.

### Board of Directors

The Company is managed by the Board of Directors. The Board formulates strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Executive Directors are responsible for day-to-day operations of the Company.

The Board has seven (7) Directors as on March 31, 2026. The Board of Directors of the Company comprises of a fair combination of Executive (2 Directors i.e. 28.57%), Non-executive (1 Director i.e. 14.29%) and Independent Directors (4 Directors i.e. 57.14%) including a Women Director with diverse professional background complying with the provisions of Sections 149 and 152 of the Companies Act, 2013 (“the Act”) and Regulation 17 of the Listing Regulations.

None of the Directors on the Board:

- hold directorships in more than ten (10) public companies.
- serve as director or as independent directors in more than seven (7) listed entities; and
- who are the executive directors serve as independent directors in more than three listed entities.
- none of the directors on the board is a member on more than ten (10) committees and chairman of more than five (5) committees across all the companies in which he / she is a director.

**a) The composition of the Board as on March 31, 2026 and details of Board and Annual General Meetings held, the attendance of the Directors, Committee Chairmanship / Directorship etc. is as follows:**

Name of the Directors	PD / NPD*	ED / NED / ID / NID*	No. of Board Meetings		Attendance at last AGM	Other Companies as on March 31, 2026				Directorship in other listed entity (Category of Directorship)
			Held	Attended		Board Directorship **	Board Chairmanship **	Committee Memberships ***	Committee Chairmanships***	
Sameer Shah (DIN:00105721)	PD	ED / NID	6	6	Yes	5	-	-	-	1 NED
Nirmal Shah (DIN:00083853)	PD	NED / NID	6	6	Yes	7	-	3	1	1ED
Ashwin Nagarwadia (DIN:00466681)#	PD	NED / NID	3	3	Yes	-	-	-	-	-
Prakash Trivedi (DIN:00231288)##	NPD	NED / ID	1	0	NA	2	-	-	-	1 NED/ID
Jayesh Shah (DIN: 00138346)	NPD	NED/ID	6	6	Yes	2	-	-	-	-
Gorsi Parekh (DIN: 00343194)	NPD	NED/ID	6	3	No	2	-	2	2	-
Mayank Shah (DIN: 01655046)	NPD	NED/ID	6	6	Yes	2	-	-	-	-
Jaywant Tawade (DIN: 08231696)\$	ED	ED / NID	3	3	Yes	1	-	-	-	-
Kamal Tandon (DIN: 09664746)@	NPD	NED / ID	3	3	Yes	-	-	-	-	-

\*PD – Promoter Director, NPD – Non-promoter Director, ED - Executive Director, NED - Non-executive Director, ID – Independent Director, NID – Non-independent Director

\*\* Directorships in Foreign Companies and Companies under Section 8 of the Act are excluded for this purpose.

\*\*\*Considered Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Indian Public Limited Companies.

# Resigned as an Non-executive Director w.e.f. May 31, 2025

## Retired as an Independent Director w.e.f. May 21, 2025

\$ Appointed as an Executive Director w.e.f. May 31, 2025

@ Appointed as an Independent Director w.e.f. July 16, 2025

Note: Mr. Sameer Shah and Mr. Nirmal Shah are relatives (siblings) in terms of Section 2 (77) of the Act read with Companies (Specification of Definitions Details) Rules, 2014. Apart from the above none of the Directors are in any manner related to each other.

**b) Details of Board Meetings held during the year**

Dates of Board Meeting	24-Apr-25	24-May-25	30-May-25	25-July-25	17-Oct-25	16-Jan- 26
Board Strength	7	6	6	7	7	7
No. of Directors Present	6	6	6	6	6	6

## c) Skill Matrix of the Board of Directors

The Board is of the view that its current composition represents an appropriate balance of knowledge, skills, experience, diversity and independence, enabling it to effectively discharge its responsibilities. The Board provides strategic direction, oversight and independent judgment in the governance of the Company, while ensuring that the management operates in accordance with the highest standards of corporate governance, ethics, transparency and disclosure.

The Board has identified the following key skills, expertise and competencies that are essential for the effective functioning, governance and long-term success of the Company, and which are adequately represented among its members:

List of core skills / expertise identified by the Board of Directors	Name of Directors						
	Sameer Shah	Nirmal Shah	Jayesh Shah	Gorsi Parekh	Mayank Shah	Jaywant Tawade	Kamal Tandon
Business Strategy	✓	✓		✓		✓	✓
Industry Experience	✓	✓				✓	✓
General Management	✓	✓	✓	✓	✓	✓	✓
Accounting/Auditing			✓		✓		
Corporate Finance			✓		✓		
Legal / Secretarial / Compliance							
Human Resource Management	✓	✓					
Risk Management	✓	✓	✓	✓	✓		
Information Technology	✓	✓			✓		✓
Marketing	✓	✓				✓	✓

## d) Separate meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Listing Regulations a separate meeting of Independent Directors was held on February 05, 2026 for transacting stipulated business. The meeting chaired by Mr. Jayesh Shah was attended by Mr. Kamal Tandon and Mr. Mayank Shah. Leave of absence was granted to Mrs.Gorsi Parekh, who was unable to attend the meeting. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and the evaluation of the Members of Board.

## e) Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulations 16(1)(b) and 25 of the Listing Regulations and that they are independent of the Management. A formal letter of appointment to Independent Directors as provided in the Act has been issued and disclosed on the website of the Company viz. <https://chembond.in/all-policies/>.

## f) Number of Independent Directorships

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in more than three listed entities.

## g) Familiarization Programme

During FY 2025-26 Company organized two in-house familiarization programs for Independent Directors. The details of Familiarization Programme for Independent Directors are disclosed on the website of the Company i.e. <https://chembond.in/all-policies/>.

## h) Details of Directors being re-appointed

Mr. Jaywant Tawade (DIN: 08231696), Executive Director retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, offers himself for reappointment.

A brief resume of Director re-appointed along with additional information required under Regulation 36(3) of the Listing Regulations is provided at the end of this report.

**i) Code of Conduct**

The Board has laid down a code of conduct for all the Members of the Board and senior management of the Company which is also posted on the Company's website at <https://chembond.in/code-of-conduct/>. All Board Members and senior management have complied with the code of conduct for the year ended March 31, 2026. The Annual Report contains a declaration to this effect signed by the Chairman and Managing Director.

**Audit Committee**

**A. Powers of Audit Committee:**

- (i) To investigate any activity within its terms of reference;
- (ii) To seek information from any employee;
- (iii) To obtain outside legal or other professional advice; and
- (iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

**B. Role / Terms of Reference:**

- I. The role of the Audit Committee includes the following:
  - i. overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - ii. recommendation for appointment, remuneration and terms of appointment of auditors;
  - iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - iv. reviewing, with the management, the quarterly/annual financial statements and auditors report thereon before submission to the board for approval;
    - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of Clause (c) of sub-section (3) of Section 134 of the Act;

- (b) changes, if any, in accounting policies and practices and reasons for the same;
- (c) major accounting entries involving estimates based on the exercise of judgment by management;
- (d) significant adjustments made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;
- v. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. approval or any subsequent modification of transactions of the company with related parties;
- ix. scrutiny of inter-corporate loans and investments;
- x. valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. evaluation of internal financial controls and risk management systems;
- xii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- xiii. reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. discussion with internal auditors of any significant findings and follow up there on;
- xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. to review the functioning of the whistle blower mechanism;
- xix. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding

rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

- xxi. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder;
- xxii. carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### II. The Audit Committee shall mandatorily review the following information:

- i. management discussion and analysis of financial condition and results of operations;
- ii. management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- iii. internal audit reports relating to internal control weaknesses;
- iv. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- v. statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
  - b. annual statement of funds utilized for purposes other than those stated in the offer document /prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

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

Name of the Member	Designation	Meetings / Attendance				
		24-May-25	30-May-25	25-July-25	17-Oct-25	16-Jan-26
Jayesh Shah	Chairman	P	P	P	P	P
Mayank Shah	Member	P	P	P	P	P
Sameer Shah	Member	P	P	P	P	P

P – Present, A - Absent

The Auditors, Internal Auditors, Executive Directors, Chief Financial Officer and concerned executives are invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Committee.

Mr. Jayesh Shah, Chairman of the Audit Committee attended the 50<sup>th</sup> AGM of the Company held on August 14, 2025.

### Nomination and Remuneration Committee

#### a. Role / Terms of Reference:

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel (KMP) and other employees;
- ii. for every appointment of independent director evaluate the balance of skills, knowledge and experience on the board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:
  - a. use the services of external agencies, if required;
  - b. consider candidates from a wide range of background, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. devising a policy on diversity of board of directors;
- v. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- vi. whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors;
- vii. providing of the following information to the shareholders in case of appointment of new Director or reappointment of a director:
  - a. Brief resume of the director;
  - b. Nature of expertise in specific functional areas;
  - c. Disclosure of relationships between directors inter-se;
  - d. Names of listed entities in which the person also holds the directorship and the membership of committees of the board; and
  - e. Shareholding of non-executive directors.
- viii. providing of general shareholder information in the Annual Report;
- ix. review of HR policies / initiatives & senior level appointments;
- x. administer and supervise Employees Stock Option Scheme including allotment of shares arising out of conversion of Employee Stock Option Scheme(s) or under any other employee compensation scheme;
- xi. frame suitable policies and systems for implementation, take appropriate decisions and monitor implementation of the following Regulations:
  - a. SEBI (Prohibition of Insider Trading) Regulations, 2015; and
  - b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- xii. recommend to the board, all remuneration, in whatever form, payable to senior management and
- xiii. perform such other functions consistent with regulatory requirements.

## b. Composition of Nomination and Remuneration Committee (NRC) as on March 31, 2026 and Attendance of Members:

Name of the Member	Designation	No. of meetings attended		
		30-May-25	14-July-25	16-Jan-26
Ashwin Nagarwadia#	Member	P	NA	NA
Prakash Trivedi##	Member	NA	NA	NA
Gorsi Parekh	Chairperson	P	A	A
Jayesh Shah	Member	P	P	P
Mayank Shah*^	Member	P	P	NA
Kamal Tandon@	Member	NA	NA	P

Mrs. Gorsi Parekh, Chairperson of the NRC attended the 50<sup>th</sup> AGM of the Company held on August 14, 2025.

# Ceased to be a Director & Member of the Committee w.e.f. May 31, 2025.

## Ceased to be a Director & Member of the Committee w.e.f. May 21, 2025

\* Appointed as a Member of the Committee w.e.f. May 30, 2025

^ Ceased to be Member of the Committee w.e.f. July 25, 2025

@ Appointed as a Member of the Committee w.e.f. July 25, 2025

## c. Performance Evaluation criteria for Independent Directors

NRC determines the performance evaluation criteria for Independent Directors. The criteria for performance evaluation includes the areas relevant to the functioning of Independent Directors such as participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors except for the Directors who are subject to evaluation.

## d. Criteria for determining qualification, positive attributes and independence of a Director:

### A. Appointment criteria and qualifications:

- The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The NRC has discretion to decide whether qualification, expertise

and experience possessed by a person is sufficient / satisfactory for the concerned position.

- The provisions of the Act and the Listing Regulations should be adhered to while considering the appointment of a Director or KMP or Senior Management Personnel.

### B. Independent Director (ID):

- Appointment of IDs shall be in accordance with the provisions of the Act and as per the Listing Regulations.
- NRC to check whether a person to be nominated or appointed as an ID meets the criterion of independence as prescribed under Section 149(6) of the Act and under Regulation 25 of the Listing Regulations.
- While nominating any person to be appointed as an ID, the Committee should satisfy itself that the person gives a declaration as prescribed under the Act declaring that he/she meets the criterion of independence prescribed under the Act and the Listing Regulations.

**e. Remuneration of Directors:**

(₹ in lakhs)

Name of Director	Basic	Perquisites / Allowances	Bonus	Incentive / Commission	Sitting Fees	Total	Service Contract / Notice Period / Severance Fees / Pension	No. of shares held as on 31.03.2026
<b>a. Executive Directors</b>								
Sameer Shah	81.68	74.90	6.80	39.11*	NA	202.47^	Not liable to retire by rotation	36,79,982
Jaywant Tawade@	13.43	12.31	1.12	-	-	26.86	Retirement by rotation	50
<b>b. Non-Executive Directors</b>								
Ashwin Nagarwadia**+	-	-	-	-	0.80	0.80	NA	5,00,000
Prakash Trivedi #	-	-	-	-	-	-	NA	-
Jayesh Shah	-	-	-	-	3.20	3.20	\$	-
Gorsi Parekh	-	-	-	-	0.80	0.80	\$	-
Mayank Shah	-	-	-	-	3.20	3.20	\$	-
Kamal Tandon##	-	-	-	-	1.60	1.60	\$	-

\* Commission/incentive approved by the Board for FY 2024-25 was paid to the Directors in the current year i.e. FY 2025-26.

^ Also includes contribution to Super Annuation Fund.

\*\* Apart from sitting fees Mr. Ashwin R. Nagarwadia was paid reimbursement of expenses of ₹1.97 lakhs.

+ Ceased to be Non-executive Director w.e.f. May 31, 2025.

# Ceased to be Director w.e.f. May 21, 2025 consequent upon completion of his term as an Independent Director.

\$ Independent Director with fixed term, not liable to retire by rotation.

##Appointed as an Independent Director w.e.f. July 16, 2025

@ Appointed as an Executive Director w.e.f. May 31, 2025. He also received remuneration of ₹17.95 lakhs from Chembond Biosciences Limited

**Note:**

- During the year 34,238 (Thirty-Four Thousand Two Hundred and Thirty Eight) stock options granted to eligible employees of the Company under Chembond Material Technologies Limited – Employee Stock Option Plan 2025 (“CHEMBOND – ESOP 2025”/ “Scheme”).
- Apart from the above, the Company does not have any other pecuniary relationship or transactions with the Directors.

## f. Remuneration Policy

Policy relating to remuneration for Directors, KMPs and other employees:

### A. Remuneration Process:

- The NRC considers and determines the remuneration Policy, based on the performance and ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate members of the board / management.
- NRC ensures that remuneration is based on performance benchmarks.
- NRC also ensures that the remuneration to directors, KMPs, and senior management personnel of the company involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

### B. Executive Directors:

- Remuneration to executive directors are governed as per the provisions of the Act, and the Rules made thereunder and the approvals obtained from the members of the Company. Remuneration to Executive Directors is in accordance with the agreement entered with them.

### C. Non-executive Directors:

- Criteria for making payments to non-executive directors is disseminated on the website of the Company at <https://chembond.in/all-policies/>.
- Sitting fee, reimbursement of expenses and profit related commission:

The Director is eligible to receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof as per Section 197(5) of the Act.

The Independent director shall be eligible for reimbursement of expenses, if any, for participation in the Board and other meetings and profit-related commission as may be approved.

- Stock Options:

Independent Directors are not entitled to any stock option of the Company.

## g. Stakeholders' Relationship Committee

The composition of the Committee and the attendance details of the Members for the year ended March 31, 2026, are given below:

Name of the Member	Designation	No. of Meetings held	No. of Meetings attended
Sameer Shah	Member	4	4
Prakash Trivedi*	Member	-	-
Jayesh Shah^	Chairman / Member	2	2
Mayank Shah#	Member	2	2
Kamal Tandon\$	Chairman / Member	2	2
Gorsi Parekh@	Member	2	0

*Mr. Kamal Tandon, Chairman of the Stakeholders' Relationship Committee attended the 50th AGM of the Company held on August 14, 2025.*

*\*ceased to be a Member of the Committee w.e.f. May 21, 2025 consequent upon completion of his second term as an Independent Director*

*^ ceased to be a member and Chairman of the Committee w.e.f. July 25, 2025*

*# ceased to be a Member of the Committee w.e.f. July 25, 2025*

*\$ appointed as Member and Chairman of the Committee w.e.f. July 25, 2025*

*@ appointed as a Member of the Committee w.e.f. July 25, 2025*

The Committee deals with matters relating to transfer / transmission of Shares, issue of duplicate share certificates, review of shares dematerialized and matters relating to transfer of shares to IEPF account of the Government. Mrs. Suchita Singh, Company Secretary & Compliance Officer is responsible for coordinating all such matters and those relating to share transfer and shareholders grievances with the Registrar and Transfer Agent.

The Company has designated an e-mail id [cs@chembond.in](mailto:cs@chembond.in) exclusively for the purpose of registering complaints by investors electronically.

This e-mail id is displayed on the Company's website i.e., <https://chembond.in/investor-grievance/>.

As on March 31, 2026, the Company did not have any complaints pending for resolution on the online redressal portal of SEBI i.e., SCORES. During the year, the Company did not receive any shareholder complaints.

## h. Other Committees

### A. Corporate Social Responsibility (CSR) Committee

The Composition of CSR Committee is as detailed below:

Name of the Member	Designation	No. of Meetings held	No. of meetings attended
Gorsi Parekh	Chairperson	2	-
Sameer Shah	Member	2	2
Prakash Trivedi#	Member	NA	NA
Mayank Shah	Member	2	2

# Ceased to be the Member of the Committee w.e.f. May 21, 2025, consequent upon completion of his second term as an Independent Director

The CSR Committee has the power to frame the CSR policy and review it from time to time, to ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans & budget, to ensure compliance with Company Law, Rules & Regulations governing the CSR.

### B. Risk Management Committee (Non-Mandatory)

#### a. Role / Terms of Reference:

The Committee deals with matters relating to identification and assessment of material business risk, technological risk, strategic business risk, operational risk, financial risk, human resource risk and legal & regulatory risk.

### b. Composition as on March 31, 2026 of Risk Management Committee and Attendance of Members:

Name of the Member	Designation	Meetings/Attendance	
		6-Feb-26	5-Mar-26
Sameer Shah	Chairman	P	P
Ashwin Nagarwadia@	Member	-	-
Jayesh Shah#	Member	-	-
Mayank Shah\$	Chairman	A	A
Jaywant Tawade*	Member	P	P
Kamal Tandon**	Member	P	P

@ ceased to be a Member of the Committee w.e.f. May 31, 2025

# ceased to be a Member of the Committee w.e.f. July 25, 2025

\$ appointed as Member and Chairman of the Committee w.e.f. July 25, 2025

\* Appointed as Member of the Committee w.e.f. May 31, 2025

\*\*appointed as Member of the Committee w.e.f. July 25, 2025

### Whistle Blower Policy

The Company has established a Vigil Mechanism through its Whistle Blower Policy and remains committed to upholding the highest standards of ethical, moral and legal conduct in all its business activities. The Policy provides a structured mechanism for employees and Directors to report genuine concerns relating to unethical conduct, actual or suspected fraud, violations of the Company's Code of Conduct, or any other misconduct, without fear of retaliation, discrimination or adverse consequences. The Vigil Mechanism encourages a culture of openness, accountability and integrity by enabling stakeholders to raise concerns in a responsible and secure manner. The Audit Committee oversees the implementation and effectiveness of the Vigil Mechanism and Whistle Blower Policy. The Whistle Blower Policy is available on the Company's website <https://chembond.in/all-policies/>.

### Subsidiary, Step Down Subsidiary and Associate Companies

The Company has one subsidiary, namely Chembond Biosciences Limited.

## General Body Meetings

i) Details of general body meetings held in last 3 years:

YEAR	AGM / EGM	LOCATION	DATE	TIME	SPECIAL RESOLUTION(S) PASSED
2023	AGM	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	19.08.2023	10.30 a.m.	1) To approve continuation of Directorship of Mr. Ashwin Nagarwadia (DIN: 00466681) beyond the age of seventy-five years as a Non-executive Director. 2) To approve payment of Commission to Non-executive Directors of the Company for a period of 5 years commencing from 1 <sup>st</sup> April 2023.
2024	AGM		07.08.2024	11.00 a.m.	1) Appointment of Mr. Jayesh Shah (DIN:00138346) as a Director and an Independent Director.
2024	NCLT convened Meeting of the Equity Shareholders		06.12.2024	11.00 a.m.	1) Approval of Composite Scheme of Arrangement between Chembond Chemicals Limited (Demerged Company/ Transferee Company), Chembond Chemical Specialties Limited (Resulting Company), Chembond Clean Water Technologies Limited (Transferor Company No. 1), Chembond Material Technologies Private Limited (Transferor Company No. 2), Phiroze Sethna Private Limited (Transferor Company No. 3) and Gramos Chemicals (India) Private Limited (Transferor Company No. 4) and their respective shareholders under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder ("Scheme")
2025	AGM		14.08.2025	3.00 p.m.	1) Appointment of Mr. Jaywant Tawade (DIN: 08231696) as a Director of the Company 2) Appointment of Mr. Jaywant Tawade (DIN: 08231696) as an Executive Director of the Company. 3) To approve re-appointment of Mr. Sameer Shah (DIN: 00105721) as the Chairman and Managing Director. 4) Approval of CHEMBOND Employee Stock Option Scheme 2025 ("CHEMBOND ESOP 2025") and granting of stock options to the employees of the Company under CHEMBOND ESOP 2025 5) To consider and approve grant of Employee Stock Options to the Employees of Subsidiary / Associate Companies of the Company under CHEMBOND ESOP 2025 6) Appointment of Mr. Kamal Tandon (DIN: 09664746) as a Director and an Independent Director

ii) Details of Postal Ballot conducted during the year, result of which was declared on May 28, 2025.

2025	Postal Ballot		28.04.2025	9.00 a.m.	1) Appointment of Mrs. Gorsii Parekh (DIN:00343194) as a Director and Independent Director of the Company. 2) Appointment of Mr. Mayank Shah (DIN:01655046) as a Director and Independent Director of the Company.
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- iii) Person who conducted the Postal Ballot exercise: Mr. Virendra G. Bhatt (PCS) as scrutinizer for conducting the postal ballot exercise.
- iv) Whether special resolutions are proposed to be conducted through postal ballot: NA
- v) Postal Ballot whenever conducted will be carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof.
- vi) Details of Extra Ordinary General Meeting held in last 3 years: No Extra Ordinary General Meetings were held in last 3 years.

## Means of Communication

### a. Quarterly Financial Results

The quarterly, half-yearly and yearly financial results are submitted to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) within 30 minute/3 hours as the case may be after the conclusion of the Board meeting.

### b. Publication of Quarterly Financial Results

The quarterly, half-yearly, nine months and yearly financial results are published in Business Standard, and Mumbai Lakshdeep within the prescribed time limit, usually on the next immediate working day.

### c. Presentations made to Institutional Investors or Analysts

No presentation was made during the year to institutional investors or analysts. However, the Company uploads the presentation on quarterly basis post Board Meeting on its website.

### d. Website where displayed

The results are also displayed on the website of the Company at <https://chembond.in/annual-reports/> and uploaded on the website of BSE and NSE.

### e. Whether it also displays official news releases

Press Release, if any, made by the Company from time to time are also displayed on the Company's website and uploaded on the website of BSE and NSE.

## ➤ General Shareholders Information

a.	Corporate Identification Number (CIN)	L24100MH1975PLC018235	
b.	Date, Time & Venue of Annual General Meeting (AGM).	<b>Friday, July 17, 2026 at 10.00 a.m.</b> The Company is conducting meeting through VC / OAVM pursuant to the MCA circulars, hence there is no requirement to have a venue for the AGM. For more details please refer to the Notice of 51 <sup>st</sup> AGM.	
c.	Financial Year	April 1, 2026 to March 31, 2027	
d.	Financial Calendar for 2026-2027 (tentative & subject to change)	Financial Reporting for the quarter ending 30.06.2026 on or before August 14, 2026 30.09.2026 on or before November 14, 2026 31.12.2026 on or before February 14, 2027 31.03.2027 on or before May 30, 2027	
e.	Dividend Payment date	Final dividend, if declared shall be paid / credited on or after July 22, 2026	
f.	Listing on Stock Exchange	BSE Limited & National Stock Exchange of India Limited	
	Stock Exchange Address	BSE Limited P.J. Towers, Dalal Street, Fort, Mumbai – 400 001	National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400051
	ISIN	INE995D01025	
	Confirmation about payment of Annual Listing fees to Stock Exchanges	Listing fees paid for FY 2026-27	
g.	Registrar and Share Transfer Agent	MUFG Intime India Private Limited (formerly Link Intime India Private Limited) C-101, 1 <sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai 400 083. E-mail: <a href="mailto:investor.helpdesk@in.mpms.mufg.com">investor.helpdesk@in.mpms.mufg.com</a> Web: <a href="https://web.in.mpms.mufg.com">https://web.in.mpms.mufg.com</a>	
h.	Share Transfer System	Registrar and Transfer Agent carry out share transfer activities. Share transfers are processed and the share certificates duly endorsed are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respect.  As mandated by SEBI, shares of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.	
i.	Disclosure for securities that are suspended from trading	None of the securities of the Company were suspended from trading during the FY 2025-2026.	

## Distribution of shareholding as on March 31, 2026

Distribution of shares according to size of holding

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of shares	% of Shareholding
1 – 500	11,379	91.57	9,48,955	7.06
501 – 1000	509	4.09	3,87,740	2.88
1001 – 2000	252	2.03	3,79,919	2.83
2001 – 3000	80	0.64	2,00,729	1.49
3001- 4000	45	0.36	1,60,846	1.20
4001 – 5000	23	0.19	1,07,800	0.80
5001 – 10000	64	0.52	4,41,014	3.28
10001 & above	75	0.60	1,08,21,285	80.47
<b>Total</b>	<b>12,427</b>	<b>100.00</b>	<b>13,448,288</b>	<b>100.00</b>

## Distribution of Shares by categories of shareholders:

Category of Shareholding as of March 31, 2026	No. of Shares	% of total shares
Promoters & their relatives	91,55,034	68.08
Banks/ FIs/Insurance Co. (Central/ State Govt./ Non- Govt. Institutions)	47,600	0.35
Corporate Bodies	3,62,457	2.70
NRIs/OCBs	1,09,138	0.81
IEPF Account	38,964	0.29
FPI-CORPS	82,140	0.61
Indian Public	36,52,955	27.16
<b>Total</b>	<b>13,448,288</b>	<b>100.00</b>

## Top 10 Shareholders as on March 31, 2026:

Sr. No.	Name of the Shareholder	Category	No. of Shares	% of shareholding
1.	Ajay Chinubhai laloo	Individual	2,74,100	2.04
2.	Zaki Abbas Nasser	Individual	2,20,000	1.64
3.	Acadian Emerging Markets Micro-Cap Equity Master Fund	Foreign Portfolio Investor	82,140	0.61
4.	Ashok J Thawani	Individual	65,195	0.48
5.	Awriga Capital Advisors LLP	LLP	53,262	0.40
6.	Dena Bank	Financial Institution	47,600	0.35
7.	Shepherd'sHill Private Investment Fund	Alternate Investment Fund	45,234	0.34
8.	Manish Arvind Parikh HUF	HUF	42,500	0.32
9.	Vrushal Trading Private Limited	Company	41,300	0.31
10.	Gokul Shrigopal Maheshwari	Individual	41,000	0.30

Dematerialization of shares and liquidity	The shares of the Company are actively traded on BSE and NSE. Trading of shares is permitted only in dematerialized form. As of March 31, 2026 1,33,31,688 equity shares are held in Demat form i.e. 99.13% of the total share capital.
Details about the outstanding Global Depository receipts (GDR) or American Depository receipts (ADR) or warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not issued any ADR / GDR.
Commodity price risk or foreign exchange risk and hedging activities	The Company does not deal with commodities. During the year ended March 31, 2026, the Company had managed the foreign exchange risk to the extent considered necessary. The details of foreign currency exposure are disclosed in Notes to the Standalone and Consolidated financial statements.
Plant Locations	1) Plot No. E-6/3 & 4, MIDC Tarapur, Maharashtra. 2) W-268, TTC Area, MIDC, Rabale, Navi Mumbai, Maharashtra 3) Unit 2, Gat no. 226, Alandi Markal Road, Pune, Maharashtra. 4) A-737/5, MIDC, Mahape, Navi Mumbai, Maharashtra.
Address of Correspondence	<b>Chembond Material Technologies Limited</b> Chembond Centre, EL-71, MIDC, Mahape, Navi Mumbai 400 710. Tel: 022 6264 3000 website: <a href="http://www.chembond.in">www.chembond.in</a> Email for Investor Grievance: <a href="mailto:cs@chembond.in">cs@chembond.in</a>
Credit Ratings	Total Bank Loan – ₹12 Crore Long term Rating – CRISIL BBB+/Watch Negative (Placed on ‘Rating Watch with Negative Implications’) Short term Rating – CRISIL A2/Watch Negative (Placed on ‘Rating Watch with Negative Implications’)

## Other Disclosures

**a. Disclosures on materially significant related party transactions of the Company that may have potential conflict with the interests of the Company at large.**

The Audit Committee of the Company has granted omnibus approval to the related party transactions and the Company does not have related party transactions which have or may have potential conflict with the interest of entity at large. The Company has a Related Party Transaction Policy in place, which has been posted on the website of the Company at <https://chembond.in/all-policies/>. The necessary disclosures regarding the transactions with Related Parties are given in the notes to the Accounts. None of these transactions have potential conflict with the interest of the Company at large.

**b. Non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchange, or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

There was no such instance in the last 3 years.

**c. Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.**

The Company has adopted Vigil Mechanism & Whistle Blower Policy and the same is available on the website of the Company i.e. <https://chembond.in/all-policies/>. During the year there were no instances and no personnel have been denied access to the Audit Committee.

**d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the FY 2025-26. Also, pursuant to the provisions of Regulation 34(3) of the Listing Regulations read with Part B of Schedule II to the Listing Regulations, the Chairman and Managing Director and the Chief Financial Officer (CFO) have issued a certificate to the Board for the year ended March 31, 2026.

**e. Web link where policies for determining 'material subsidiaries and (ii) dealing with related party transactions are disclosed:**

The required information can be accessed from the Company's website <https://chembond.in/all-policies/>.

**f. Disclosure of commodity price risks or commodity hedging activities.**

The Company does not deal with commodities.

**g. Details of utilization of funds raised through preferential allotment or qualified institutions placement.**

No funds have been raised through preferential allotment or qualified institutional placement.

**h. A certificate from a company secretary in practice that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

The certificate from Mr. Virendra G. Bhatt, Practicing Company Secretary forms part of this Report.

**i. Where the Board had not accepted any recommendation of any Committee of the Board**

**l. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.**

Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditor	Date of Appointment/ Re-appointment of Auditor
Chembond Biosciences Limited	01.07.2011	Navi Mumbai, Maharashtra	Kastury & Talati, Chartered Accountants	16.07.2021

**m. Details of non-compliance of any requirement of Corporate Governance report or sub-para (2) to (10) above, with reasons thereof:**

There is no non-compliance with any requirement of Corporate Governance Report of sub-para (2) to (10) of the Corporate Governance report as given in Schedule V of the Listing Regulations. The disclosure of the compliance with Corporate Governance requirements specified in Regulations 17 to 27 of the Listing Regulations, have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at [www.chembond.in](http://www.chembond.in).

which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.

No such instance occurred.

**j. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

M/s. Kastury & Talati, Chartered Accountants (Statutory Auditor) were paid ₹17.11 lakhs for F.Y. 2025-26 (including fees for other service) and ₹2.44 lakhs for F.Y. 2025-26 from one (1) subsidiary Company.

**k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

- a. Number of complaints filed during the financial year - 0
- b. Number of complaints disposed of during the financial year – 0
- c. Number of complaints pending as on end of the financial year – 0.

The non-mandatory requirements as stipulated in Part E of Schedule II of the Listing Regulations have been adopted to the extent and in the manner as stated under the appropriate headings in this Report.

**n. Discretionary Requirements**

- i) The Board
  - The Board has an Executive Chairman and his office with required facilities is provided and maintained by the Company.
  - Company has One (1) Independent Woman Director on its Board.

## ii) Shareholders Rights

Financial Results for the half year / quarter ended September 30, 2025, were published in Business Standard and Mumbai Lakshdeep newspapers and were also displayed on the website of the Company [www.chembond.in](http://www.chembond.in) and disseminated to BSE and NSE where its equity shares are listed, hence separately not circulated to shareholders.

## iii) Audit Qualifications

There is no audit qualification.

## iv) Reporting of Internal Auditors

The Internal Auditors report directly to the Audit Committee for its review.

## Legal Proceedings

Davendra Feeds India Private Limited has lodged an F.I.R in June 2022 with police station Safidon District Jind Haryana against Chembond Material Technologies Limited (formerly Chembond Chemicals Limited) Mr. Sameer Shah (Chairman & Managing Director) and 3 other current & ex-employees, with respect to damage caused by inferior quality products supplied in the year 2018-19. The Company has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is being currently considered by the Competent Authorities and Courts.

Rajkumar Mor of Mor Hatcheries has lodged an F.I.R. in January 2023 with police station Pillukhera District Jind Haryana against one of our Distributors in Haryana and Mr. Sameer Shah (Director in Chembond Biosciences Limited), regarding alleged defective supply of vitamin premix. The Company has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is currently

being considered by the Competent Authorities and Courts.

Since both the matters are interlinked, they have been clubbed together and the litigations are going on at the High Court of Judicature at Punjab and Haryana.

## Disclosure by listed entity and its subsidiaries of Loans and Advances in nature of loans to firms / companies in which directors are interested by name and amount.

Neither the Company nor any of the subsidiaries have given loan to any firms / companies in which Directors are interested.

## Unpaid / Unclaimed Dividend

The Company issued reminders to all such shareholders in respect of the Unclaimed / Unpaid Dividend, as is customarily sent by the Company every year, before crediting the balance Unclaimed Dividend amount to IEPF. A statement showing the year / month(s) in which unpaid/unclaimed dividend(s) is / are due for transfer to IEPF is given below:

Dividend Particulars	Rate ₹	Date of Declaration	Due Date for Transfer to IEPF
FY 2018 – 19	2.00	03/08/2019	02/09/2026
FY 2019 – 20 (Interim)	2.00	05/03/2020	04/04/2027
FY 2020 – 21	2.25	23/07/2021	22/08/2028
FY 2021 – 22	5.00	05/08/2022	04/09/2029
FY 2022- 23	3.00	19/08/2023	18/09/2030
FY 2023-24	3.50	07/08/2024	06/09/2031
FY 2024 - 25	1.75	14/08/2025	13/09/2032

## 19. Equity Shares in Suspense Account

There are no equity shares in Suspense account.

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,**

The Members of  
**Chembond Material Technologies Limited**  
(formerly known as Chembond Chemicals Limited)  
Plot No.: EL-71, TTC Ind. Area, MIDC,  
Mahape, Navi Mumbai, Thane - 400710,  
Maharashtra, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Chembond Material Technologies Limited** (formerly Chembond Chemicals Limited) (hereinafter referred to as “the Company”), having CIN: L24100MH1975PLC018235 and having Registered Office at Plot No.: EL-71, TTC Ind. Area, MIDC, Mahape, Navi Mumbai - 400710, Maharashtra, India, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2026 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs.

Sr. No.	Name of the Director	DIN	Date of Appointment in Company
1	Sameer Vinod Shah	00105721	10/01/2000
2	Nirmal Vinod Shah	00083853	10/01/2000
3	Jayesh Prabhulal Shah	00138346	25/05/2024
4	Gorsi Atul Parekh	00343194	27/05/2025
5	Mayank Pradyumna Shah	01655046	27/05/2025
6	Kamal Tandon	09664746	16/07/2025
7	Jaywant Keshavrao Tawade	08231696	31/05/2025

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Date: May 15, 2026**  
**Place: Mumbai**  
**UDIN:A001157H000368029**

sd/-  
**Virendra G. Bhatt**  
**Practicing Company Secretary**  
**ACS No.: 1157 / COP No.: 124**  
**Peer Review Cert. No.: 6489/ 2025**

## **DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

As required under Schedule V(D) of the Listing Regulations, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended March 31, 2026.

**For Chembond Material Technologies Limited**

Place: Navi Mumbai  
Date: May 15, 2026

sd/-  
**Sameer V. Shah**  
**Chairman & Managing Director**

## **CEO/CFO CERTIFICATION**

**Certification by Managing Director & CEO and Chief Financial Officer in respect of Financial Statements and Cash Flow Statement (pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the Financial Year ended March 31, 2026.**

To,  
The Board of Directors,  
Chembond Material Technologies Limited  
Navi Mumbai

- A. We hereby certify that, we have reviewed the financial statements and the Cash Flow Statement for the quarter and year ended March 31, 2026 and that to the best of our knowledge and belief:-
- These statements do not contain any material, untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered by the Company during the quarter and year ended March 31, 2026, which are fraudulent, illegal or violating the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
- there have been no significant changes in internal control over financial reporting during the quarter;
  - that there have been no Significant changes in accounting policies during the quarter; and
  - that there have been no instances of significant fraud, of which we have become aware, the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

sd/-  
**Sameer V. Shah**  
**Chairman & Managing Director**  
**DIN: 00105721**

Place: Navi Mumbai  
Date: May 15, 2026

sd/-  
**Rashmi Gavli**  
**Chief Financial Officer**

# **Standalone Financial Statements**

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
Chembond Material Technologies Limited  
Report on the Audit of the Standalone Financial  
Statements:**

### **1. Opinion**

We have audited the Standalone financial statements of Chembond Material Technologies Limited ("the Company") (formerly known as Chembond Chemicals Limited), which comprise the standalone Balance Sheet as at 31st March 2026, the standalone statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity, the standalone statement of cash flows for the year then ended and notes to the Standalone financial statements, including a summary of material 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 Standalone 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 as amended and other accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2026, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### **2. Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section

143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

### **3. Other Matter**

Comparative Standalone financial statements/information for the year ended March 2025 was audited by the predecessor statutory auditors who expressed an unmodified opinion vide their report dated May 30, 2025.

### **4. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p><b>Contingent liabilities</b></p> <p>The Company has disclosed in note no. 42 to the standalone financial statements the contingent liabilities as at 31 March, 2026 which includes disputed liabilities in respect of income tax, service tax matters, GST demand and a case lodged against the Company with respect to inferior quality of products.</p> <p>These involve a high degree of judgement to determine the possible outcomes and estimates relating to the timing and the amount of outflows of resources embodying economic benefits.</p>	<p>As part of our audit procedures, we have assessed management's processes to identify new possible obligations and changes in existing obligations for compliance with Ind AS 37 requirements.</p> <p>We have analysed significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied.</p> <p>We have obtained legal representation letters on the main outstanding legal cases.</p> <p>As part of our audit procedures, we have reviewed minutes of board meetings, including the sub-committees.</p> <p>We have held regular meetings with management and legal counsels.</p> <p>We have assessed the appropriateness of presentation of the most significant contingent liabilities in the standalone financial statements.</p>

**5. Information Other than the Standalone Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

**6. Responsibilities of management and Those Charged with Governance for the Standalone financial statements**

The accompanying Standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance, 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 specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to

the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### 7. Auditor's Responsibility for the audit of the Standalone Financial Statements.

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the standalone financial statements of the company to express an opinion on the standalone financial statements.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.

### 8. Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of account as required by law relating to the preparation of the Standalone 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 8(D) (vi) below.

c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

e. On the basis of written representations received from the Directors as on March 31, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 b above on reporting under section 143(3)(b) of the Act and paragraph 8(D)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

D) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our

information and according to the explanations given to us:

- i. The Company has disclosed the impact if any, of pending litigations on its financial position in its standalone financial statements. Refer note no 42 of the standalone financial statements.
- ii. In our opinion and as per the information and explanations provided to us the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards for material foreseeable losses,
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company,
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“intermediaries”), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or

invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under iv (a) and (b) above, contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the Company has used accounting software, payroll application and employee reimbursement software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software/application. However, audit trail feature is not enabled at the database level for accounting software to log any direct data changes as described in note no. 49 to the financial statements. Further, during the course of our audit, we did not come across any instance of an audit trail feature being tampered with in respect of the accounting software, payroll application and employee reimbursement software.

The Company has preserved the audit trail in compliance with statutory record retention requirements.

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

**Dhiren P. Talati**  
Partner  
Membership No: F/41867  
UDIN: 26041867UIAVIP9196  
Place: Navi Mumbai  
Date : 15<sup>th</sup> May, 2026

## Annexure - A to the Independent Auditors' Report

The Annexure Referred to in paragraph 8A of the Independent Auditor's Report of even date to the members of Chembond Material Technologies Limited on the Standalone Financial Statements for the year ended March 31, 2026.

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.

- 1) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) 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 notice on such verification.
  - (c) Pursuant to the composite scheme of arrangement, the Company is in the process of transferring the title deeds and lease agreements of the immovable properties in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year under consideration.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and Rules made thereunder.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. As informed to us, discrepancies of 10% or more in the aggregate for each class of Inventory on physical verification of the inventory as compared to books records has not been noticed.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company, has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.
  - 3) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year under consideration the Company has not made investments in, provided any guarantee or security or granted any Loans or advances in the nature of loans, Secured or Unsecured, to Companies, Firms, Limited Liability Partnerships or any Other Parties. Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
  - 4) According to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, and security given for the year under report.
  - 5) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits and hence the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, are not applicable. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

6) 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.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, professional tax, Goods and Service Tax, custom duty, cess and other statutory dues as applicable with the appropriate authorities.

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

(b) According to the information and explanation given to us and the records of the company examined by us, there are no Statutory dues of provident fund, employees' state insurance, income tax, professional tax, Goods and Service Tax, custom duty, cess and other material statutory dues 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 (₹ In Lakh)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994 (Service tax)	Service tax and cess	259.42	FY 2014-15 to FY 2017-18 (Up to June 2017)	Dy. Commissioner (Audit)
The Central Goods and Services Tax Act, 2017	GST demand	178.48	FY 2023-24	Deputy Commissioner of State Tax, Maharashtra
Income tax Act, 1961	Demands pending for rectification	15.17	FY 2022-23	Assistant Commissioner of Income Tax Circle 6(2) (1), Central Processing Center Bengaluru

8) According to the information and explanations given to us and the records of the company examined by us, the Company does not have any transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the Tax assessments under the Income Tax Act, 1961.

9) (a) According to the information and explanations given to us and the records of the company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) According to the information and explanations given to us and the records of the company examined by us, the Company has not 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) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the funds raised on short term basis have not been utilized for long term purposes.

(e) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

10) (a) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

- (b) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- 11) (a) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, no material fraud by the Company or on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report in respect of any fraud against the Company by its officers or employees.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) (a) In our opinion and according to the information given to us, 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.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- 15) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) (a) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the group does not have any Core Investment Company (CIC).
- 17) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the Company has not incurred any cash losses either during the year under consideration or in the immediately preceding financial year.
- 18) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20) In our opinion 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.

21) 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 **M/s. Kastury & Talati**

Chartered Accountants

Firm's Registration No: 104908W

**Dhiren P. Talati**

Partner

Membership No: F/41867

UDIN: 26041867UIAVIP9196

Place: Navi Mumbai

Date : 15<sup>th</sup> May, 2026

## **Annexure - B to the Independent Auditors' Report**

The Annexure Referred to in paragraph 8B(g) of the Independent Auditor's Report of even date to the members of Chembond Material Technologies Limited on the Financial Statements for the year ended March 31, 2026.

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

We have audited the internal financial controls over financial reporting of Chembond Material Technologies Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management

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

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

**Dhiren P. Talati**  
Partner  
Membership No: F/41867  
UDIN: 26041867UIAVIP9196  
Date : 15<sup>th</sup> May, 2026  
Place: Navi Mumbai

## Standalone Balance Sheet

	Notes	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In Lakhs)
<b>Assets</b>			
<b>1) Non-current Assets</b>			
(a) Property, Plant and Equipment	2	3,990.83	3,302.11
(b) Capital Work-In-Progress	2	205.26	750.56
(c) Other Intangible Assets	2	49.95	28.17
(d) Financial Assets			
i) Investments	3	5,144.72	5,122.96
ii) Other Financial Assets	4	88.95	235.85
(e) Deferred Tax Asset (Net)	5	397.83	259.00
(f) Income Tax Asset (net)	6	18.55	463.54
(g) Other Non-current Assets	7	1.92	0.02
<b>Total Non-current Assets</b>		<b>9,898.01</b>	<b>10,162.21</b>
<b>2) Current Assets</b>			
(a) Inventories	8	1,795.49	1,478.62
(b) Financial Assets			
i) Investments	9	2,063.57	2,849.82
ii) Trade Receivables	10	4,957.50	4,084.83
iii) Cash and Cash Equivalents	11	575.28	566.15
iv) Bank Balances other than (iii) above	12	785.51	752.58
v) Loans	13	-	0.25
vi) Other Financial Assets	14	74.14	54.84
(c) Other Current Assets	15	1,004.03	231.14
<b>Total Current Assets</b>		<b>11,255.51</b>	<b>10,018.23</b>
<b>Total Assets</b>	<b>Total</b>	<b>21,153.52</b>	<b>20,180.43</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
(a) Equity Share capital	16	672.41	672.41
(b) Other Equity	17	16,289.36	15,728.11
<b>Total Equity</b>		<b>16,961.77</b>	<b>16,400.52</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Provisions	18	106.71	7.34
<b>Total Non-current Liabilities</b>		<b>106.71</b>	<b>7.34</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
i) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	19	575.55	293.77
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	2,655.03	2,761.88
ii) Other Financial Liabilities	20	18.05	19.14
(b) Other Current Liabilities	21	686.03	675.05
(c) Provisions	22	53.49	22.72
(d) Current Tax Liabilities (Net)	23	96.90	-
<b>Total Current Liabilities</b>		<b>4,085.04</b>	<b>3,772.57</b>
<b>Total Equity &amp; Liabilities</b>	<b>Total</b>	<b>21,153.52</b>	<b>20,180.43</b>
Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.	1-52		

As per our attached report of even date

**For M/s Kastury & Talati**

Chartered Accountants  
FRN - 104908W

**Dhiren P. Talati**

Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

On behalf of the Board of Directors

**Sameer V. Shah**

Chairman & Managing Director  
DIN: 00105721

**Rashmi S. Gavli**

Chief Financial Officer

Navi Mumbai, 15th May 2026

**Jayesh Shah**

Director  
DIN: 00138346

**Suchita Singh**

Company Secretary

**Jaywant Tawade**

Executive Director  
DIN: 08231696

## Standalone Statement of Profit and Loss

	Notes	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Revenue From Operations	24	21,014.12	17,120.70
Other Income	25	266.41	719.97
<b>Total Income</b>		<b>21,280.53</b>	<b>17,840.67</b>
<b>Expenses :</b>			
Cost of Materials Consumed	26	12,508.98	9,931.25
Changes in Inventories of Finished goods and Work in Progress	27	30.67	(71.06)
Employee Benefits Expense	28	3,165.98	2,500.41
Finance Costs	29	11.91	9.05
Depreciation and Amortisation expense	30	350.46	260.68
Other Expenses	31	4,074.53	3,446.04
<b>Total Expenses</b>		<b>20,142.52</b>	<b>16,076.37</b>
<b>Profit before Exceptional items and Tax</b>		<b>1,138.01</b>	<b>1,764.31</b>
Exceptional Items	32 & 50	(117.00)	154.74
<b>Profit before Tax</b>		<b>1,021.01</b>	<b>1,919.05</b>
<b>Tax Expense</b>			
Current Tax	41	391.99	328.06
Deferred Tax		(146.86)	(131.37)
<b>Total Tax Expense</b>		<b>245.13</b>	<b>196.69</b>
<b>Profit for the Year</b>		<b>775.88</b>	<b>1,722.36</b>
<b>Other Comprehensive Income</b>			
1i) Items that will not be reclassified to profit or loss (On account of actuarial gain/loss on post employment benefit plans)		27.62	7.67
ii) Income Tax relating to items that will not be reclassified to profit or loss		(8.04)	(2.23)
2i) Items that will be reclassified to profit or loss		-	-
ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income</b>		<b>19.58</b>	<b>5.43</b>
<b>Total Comprehensive Income</b>		<b>795.46</b>	<b>1,727.79</b>
<b>Earning Per Equity Share of Face Value of ₹5 each</b>	33		
Basic (in ₹)		5.77	12.81
Diluted (in ₹)		5.77	12.81
Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.	1-52		

As per our attached report of even date

**For M/s Kastury & Talati**  
Chartered Accountants  
FRN - 104908W

**Dhiren P. Talati**  
Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

On behalf of the Board of Directors

**Sameer V. Shah**  
Chairman & Managing Director  
DIN: 00105721

**Rashmi S. Gavli**  
Chief Financial Officer

Navi Mumbai, 15th May 2026

**Jayesh Shah**  
Director  
DIN: 00138346

**Suchita Singh**  
Company Secretary

**Jaywant Tawade**  
Executive Director  
DIN: 08231696

## Standalone Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2026

### (a) Equity share capital

	No. of Shares	(₹ In lakhs)
<b>Balance as at 31 March 2024</b>	<b>1,34,48,288</b>	<b>672.41</b>
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	-	-
<b>Balance as at 31 March 2025</b>	<b>1,34,48,288</b>	<b>672.41</b>
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	-	-
<b>Balance as at 31 March 2026</b>	<b>1,34,48,288</b>	<b>672.41</b>

### (b) Other Equity

Particulars	Reserves and Surplus					Items of other Comprehensive Income	
	General Reserve	Share Premium	Capital Reserve	Retained earnings	ESOP Reserve	Remeasurements of the net defined benefit Plans	Total other equity
<b>Balance as at 31st March 2024</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>233.55</b>	<b>11,281.99</b>	-	<b>10.45</b>	<b>14,471.00</b>
Profit for the year	-	-	-	1,722.36	-	-	<b>1,722.36</b>
Other comprehensive income for the year	-	-	-	-	-	5.43	<b>5.43</b>
<b>Total Comprehensive Income</b>	-	-	-	<b>1,722.36</b>	-	<b>5.43</b>	<b>1,727.79</b>
Dividend Paid	-	-	-	(470.69)	-	-	<b>(470.69)</b>
<b>Balance as at 31st March 2025</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>233.55</b>	<b>12,533.66</b>	-	<b>15.88</b>	<b>15,728.11</b>
Profit for the year	-	-	-	775.88	1.13	-	<b>777.01</b>
Other comprehensive income for the year	-	-	-	-	-	19.58	<b>19.58</b>
<b>Total Comprehensive Income</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>233.55</b>	<b>13,309.54</b>	<b>1.13</b>	<b>35.46</b>	<b>16,524.70</b>
Dividend Paid	-	-	-	(235.35)	-	-	<b>(235.35)</b>
<b>Balance as at 31st March 2026</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>233.55</b>	<b>13,074.19</b>	<b>1.13</b>	<b>35.46</b>	<b>16,289.36</b>

As per our attached report of even date

**For M/s Kastury & Talati**  
Chartered Accountants  
FRN - 104908W

**Dhiren P. Talati**  
Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

On behalf of the Board of Directors

**Sameer V. Shah**  
Chairman & Managing Director  
DIN: 00105721

**Rashmi S. Gavli**  
Chief Financial Officer  
Navi Mumbai, 15th May 2026

**Jayesh Shah**  
Director  
DIN: 00138346

**Suchita Singh**  
Company Secretary

**Jaywant Tawade**  
Executive Director  
DIN: 08231696

## Standalone Cash Flow Statement

(₹ in lakhs except otherwise stated)

Particulars	(₹ in lakhs except otherwise stated)	
	2025-2026	2024-2025
<b>A Cash Flow from Operating Activities</b>		
Profit before tax	1,021.01	1,919.05
Adjustments for :		
Depreciation and amortisation	350.46	260.68
Loss on Sale of Property, Plant & Equipment	53.98	4.16
Finance Cost	11.91	9.05
	416.36	273.89
Less :		
Net Gain on Investments	40.56	581.94
Interest Income on FDR's and others	173.29	79.23
Gain on Insurance claim due to fire	-	154.74
Unrealised Forex Gain/(Loss)	(3.90)	2.37
ECL reversal	12.24	32.15
Dividend Income	9.63	8.59
	(231.82)	(859.02)
Operating Profit before working capital changes	<b>1,205.55</b>	<b>1,333.91</b>
Adjustments for :		
(Increase/decrease) in Trade and Other Receivables	(290.80)	728.80
(Increase/decrease) in Inventories	(316.87)	(166.61)
(Increase/decrease) in Trade and Other Payables	411.84	118.90
	(195.83)	681.09
<b>Cash generated from operations</b>	<b>1,009.72</b>	<b>2,015.01</b>
Income taxes paid (Net of Refund)	237.49	(224.00)
<b>Net Cash from Operating Activities (A)</b>	<b>1,247.21</b>	<b>1,791.01</b>
<b>B Cash Flow from Investing Activities</b>		
Payment to acquire Property, plant & equipments (Incl. Advances)	(2,078.87)	(432.89)
Proceeds from Sale of Property, plant & equipments	101.28	44.10
Interest Income on FDR's and others	173.29	79.23
Purchase of Investment	(700.00)	(1,153.66)
Sale of Investment	1,503.60	333.42
Dividend Received	9.63	8.59
Gain on Insurance claim due to fire	-	154.74
Proceed from Inter Corporate Loans	0.25	(0.25)
<b>Net Cash used in Investing Activities (B)</b>	<b>(990.82)</b>	<b>(966.71)</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds from Loan & Advances	-	(83.91)
Dividend paid	(235.35)	(470.69)
Finance Cost	(11.91)	(9.05)
<b>Net Cash from Financing Activities (C)</b>	<b>(247.26)</b>	<b>(563.66)</b>
<b>Net (Decrease)/Increase in Cash &amp; Cash Activities (A+B+C)</b>	<b>9.13</b>	<b>260.63</b>
Cash and Cash equivalents at the beginning of the year	566.15	305.52
Cash and Cash equivalents at the end of the year	<b>575.28</b>	<b>566.15</b>

## Standalone Cash Flow Statement

### Components of Cash and Cash Equivalents:

Particulars	(₹ in lakhs except otherwise stated)	
	As at 31 March 2026	As at 31 March 2025
<b>1) Cash &amp; Cash Equivalents:</b>		
Cash on hand	0.88	1.09
Balances with banks:		
- in current accounts & Short term FD's	574.40	565.06
<b>Total</b>	<b>575.28</b>	<b>566.15</b>

2) The above cashflow statement has been prepared under the indirect method as set out in the IND-AS 7 on the statement of cashflow as notified under Companies Act 2013

Material Accounting Policies, key accounting estimates and judgements and notes on financial statements 1-52

**As per our attached report of even date**

**For M/s Kastury & Talati**  
Chartered Accountants  
FRN - 104908W

**Dhiren P. Talati**  
Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

**On behalf of the Board of Directors**

**Sameer V. Shah**  
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Navi Mumbai, 15th May 2026

**Jayesh Shah**  
Director  
DIN: 00138346

**Suchita Singh**  
Company  
Secretary

**Jaywant Tawade**  
Executive Director  
DIN: 08231696

## Notes to the Standalone Financial Statements For the year ended 31st March, 2026

### COMPANY INFORMATION:

Chembond Material Technologies Limited (the Company) (formerly known as Chembond Chemicals Limited) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Registered office of the Company is situated at Chembond Centre, EL-71, MIDC Mahape, Navi Mumbai -400710, Maharashtra.

The Company is engaged in manufacturing of Speciality Chemicals.

### 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 standalone financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest Lakhs, except when otherwise indicated.

#### 1.2 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 capitalized 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:

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

##### c) Capital Work in Progress & Capital Advances:

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.

#### d) Depreciation and Amortization:

Depreciation on PPE (other than free hold and lease hold land) has been provided based on useful life of the assets in accordance with Schedule II of the Companies Act, 2013, on Straight Line Method. Freehold land is not depreciated. Leasehold land and leasehold improvements are amortized over the primary period of lease.

Depreciation methods, useful lives and residual value are reviewed at each reporting date and adjusted prospectively, if appropriate.

#### e) 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 from investment is recognised when the Company's right to receive is established

by the reporting date, which is generally when shareholders approve the dividend.

#### f) Lease:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

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. 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 finance costs in the statement of profit and loss, 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.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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 straight-line 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.

## g) 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.

Determination 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.

## h) Impairment of assets:

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if event or changes are indicative in circumstances indicate that they might be impaired. Assets that have a definite useful life are tested for impairment whenever events or changes

in circumstances that indicate that the carrying amount may not be recoverable. Management periodically assesses using external and internal sources, whether there is an indication that an asset may be impaired. An Impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## i) 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.

### **De-recognition**

A financial asset derecognized only when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.
- 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.

### j) 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.

#### k) Foreign Currency and Translation balances:

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.

#### l) Trade Receivables:

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

#### m) 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.

#### n) Income Taxes:

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.

The company recognizes the current tax expense in its profit and loss statement based on the higher of the two calculations below.

If the tax paid as per MAT exceeds the tax liability under normal provisions, the excess (MAT credit) is recognized as an asset (MAT Credit Entitlement) if there is probability that the company will be able to realize this credit in future years when normal tax exceeds MAT.

The MAT credit can be carried forward for up to 15 assessment years and set off against future tax liabilities arising under normal provisions

#### Deferred tax:

Deferred Income Tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and their carrying amount, except when the deferred income tax arises from the initial recognition of an assets or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

### o) 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 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.

### p) Employee Benefits

#### 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 encashment of leave Balance.

## q) Research and Development

Revenue expenditure on Research and Development is charged to Profit and Loss Account as incurred. Capital expenditure on assets acquired for Research and Development is added to PPE and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

## r) Borrowing Cost

Borrowing costs, that are, attributable to the acquisition, construction or production of qualifying are capitalized as part of the costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## s) 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.

## t) Current / Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification as per IND AS 1

An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading

- (iii) Expected to be realised within twelve months after the reporting period, or

- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle.

- (ii) It is held primarily for the purpose of trading

- (iii) It is due to be settled within twelve months after the reporting period, or

- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its normal operating cycle.

## u) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (a) the Company has a present obligation as a result of a past event;
- (b) a probable outflow of resources is expected to settle the obligation; and
- (c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of

- (a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- (b) a present obligation when no reliable estimate is possible; and

- (c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognised, nor disclosed.

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

### v) Dividend

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.

### w) Segment Reporting

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. Provisions - 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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time.

During the year, MCA notified amendments to Ind AS 21- The Effect of Changes in Foreign Exchange Rates, Ind AS-1 Presentation of Financial statements, Ind AS 7- Statement of Cash Flow and Ind AS 107- Financial Instruments: Disclosures, applicable from 1<sup>st</sup> April 2025.

The Company has evaluated the aforesaid amendments and concluded that the same do not have any material impact on its financial statements.

## 2. Property, Plant and Equipment, Intangibles and Capital work in progress as at 31st March 2026

(₹ In lakhs)

Description	Gross Block (At Cost)			Depreciation for the year			Net Block			
	As at 1.04.2025	Additions	Disposal Transfer & Adjustments	As at 31.03.2026	As at 1.04.2025	Additions	Disposal Transfer & Adjustments	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
<b>Property, plant and equipment*</b>										
<b>Tangible Assets</b>										
Leasehold Land	65.33	-	-	65.33	7.14	0.99	-	8.13	57.19	58.18
Freehold Land	68.77	-	-	68.77	-	-	-	-	68.77	68.77
Buildings	1,744.45	590.32	-	2,334.77	328.87	73.78	-	402.65	1,932.12	1,415.58
Plant & Machinery*	2,205.45	566.75	262.86	2,509.33	973.04	178.13	112.91	1,038.26	1,471.07	1,232.40
Computers Hardware	129.15	21.92	-	151.07	110.59	11.91	2.86	119.64	31.43	18.56
Furniture & Fixtures	170.17	29.64	-	199.81	108.67	14.63	(0.38)	123.69	76.12	61.50
Vehicles	60.35	17.93	-	78.28	57.34	2.05	-	59.39	18.89	3.02
Electric Fittings & Installations	616.82	67.30	142.83	541.29	172.73	59.32	25.99	206.05	335.24	444.09
<b>Sub- total</b>	<b>5,060.50</b>	<b>1,293.84</b>	<b>405.70</b>	<b>5,948.65</b>	<b>1,758.39</b>	<b>340.81</b>	<b>141.38</b>	<b>1,957.81</b>	<b>3,990.83</b>	<b>3,302.11</b>
<b>Intangible Assets</b>										
Technical Know-how	3.47	-	-	3.47	2.86	0.18	-	3.03	0.43	0.61
Computer Software	54.20	42.78	8.61	88.36	26.64	9.47	(2.74)	38.85	49.52	27.56
<b>Sub- total</b>	<b>57.67</b>	<b>42.78</b>	<b>8.61</b>	<b>91.83</b>	<b>29.49</b>	<b>9.64</b>	<b>(2.74)</b>	<b>41.88</b>	<b>49.95</b>	<b>28.17</b>
<b>Total</b>	<b>5,118.16</b>	<b>1,336.61</b>	<b>414.30</b>	<b>6,040.47</b>	<b>1,787.88</b>	<b>350.46</b>	<b>138.64</b>	<b>1,999.69</b>	<b>4,040.78</b>	<b>3,330.28</b>
<b>Capital Work in Progress</b>	<b>750.56</b>	<b>204.36</b>	<b>749.66</b>	<b>205.26</b>	-	-	-	-	<b>205.26</b>	<b>750.56</b>
<b>Total</b>	<b>5,868.72</b>	<b>1,540.97</b>	<b>1,163.96</b>	<b>6,245.74</b>	<b>1,787.88</b>	<b>350.46</b>	<b>138.64</b>	<b>1,999.69</b>	<b>4,246.04</b>	<b>4,080.84</b>

\*Pursuant to the composite scheme of arrangement, the company is in the process of transferring the title deeds and lease agreements of the Property, Plants & Equipments in the name of CMTL.

\*During the year the Company has done capex of ₹89.54 Lakhs in Research & Development activities.

## Property, Plant and Equipment, Intangibles and Capital work in progress as at 31st March 2025

(₹ In lakhs)

Description	Gross Block (At Cost)			Depreciation for the year			Net Block			
	As at 1.04.2024	Additions	Disposal Transfer & Adjustments	As at 31.03.2025	As at 1.04.2024	Additions	Disposal Transfer & Adjustments	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
<b>Property, plant and equipment</b>										
<b>Tangible Assets</b>										
Leasehold Land	65.33	-	-	65.33	6.17	0.97	-	7.14	58.18	59.16
Freehold Land	68.77	-	-	68.77	-	-	-	-	68.77	68.77
Buildings	1,462.62	281.83	-	1,744.45	283.58	45.29	-	328.87	1,415.58	1,179.04
Plant & Machinery	1,774.32	455.37	24.25	2,205.44	845.15	141.17	13.27	973.04	1,232.41	929.17
Computers Hardware	123.70	11.32	5.86	129.15	106.87	8.52	4.80	110.59	18.56	16.82
Furniture & Fixtures	160.25	10.00	0.08	170.17	98.32	10.42	0.07	108.67	61.50	61.93
Vehicles	60.35	-	-	60.35	57.34	-	-	57.34	3.02	3.02
Electric Fittings & Installations	340.06	276.77	-	616.82	124.93	47.80	-	172.73	444.09	215.12
<b>Sub- total</b>	<b>4,055.39</b>	<b>1,035.29</b>	<b>30.19</b>	<b>5,060.50</b>	<b>1,522.37</b>	<b>254.17</b>	<b>18.14</b>	<b>1,758.39</b>	<b>3,302.11</b>	<b>2,533.03</b>
<b>Intangible Assets</b>										
Technical Know-how	3.47	-	-	3.47	2.68	0.18	-	2.86	0.61	0.79
Computer Software	68.10	-	13.91	54.20	32.95	6.34	12.65	26.64	27.56	35.15
<b>Sub- total</b>	<b>71.57</b>	<b>-</b>	<b>13.91</b>	<b>57.67</b>	<b>35.64</b>	<b>6.51</b>	<b>12.65</b>	<b>29.49</b>	<b>28.17</b>	<b>35.94</b>
<b>Total</b>	<b>4,126.97</b>	<b>1,035.29</b>	<b>44.10</b>	<b>5,118.16</b>	<b>1,558.00</b>	<b>260.68</b>	<b>30.80</b>	<b>1,787.88</b>	<b>3,330.28</b>	<b>2,568.96</b>
<b>Capital Work in Progress</b>	<b>1,334.38</b>	<b>259.76</b>	<b>843.58</b>	<b>750.56</b>	-	-	-	-	<b>750.56</b>	<b>1,334.38</b>
<b>Total</b>	<b>5,461.34</b>	<b>1,295.05</b>	<b>887.68</b>	<b>5,868.73</b>	<b>1,558.02</b>	<b>260.67</b>	<b>30.80</b>	<b>1,787.89</b>	<b>4,080.84</b>	<b>3,903.35</b>

\*Pursuant to the composite scheme of arrangement, the company is in the process of transferring the title deeds and lease agreements of the Property, Plants & Equipments in the name of CMTL.

\*During the year the Company has done capex of ₹38.96 Lakhs in Research & Development activities.

3 Financial Assets (Non-Current)	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
<b>Investments</b>		
<b>Investment in equity instruments of subsidiaries at cost as per Ind AS 27</b>		
<b>Unquoted</b>		
19,00,000 (PY-19,00,000) Equity Shares of Chembond Biosciences Limited of ₹10/- each fully paid up (Constituting 100 %(100.00%) of the said Company's paid up capital)	190.00	190.00
<b>Other Investment carried at fair value through Profit &amp; Loss "Unquoted"</b>		
2,848 (PY-2,848) Equity Shares of Tarapur Environment Protection Organisation Ltd. of ₹100/- each fully paid up.	3.73	3.75
<b>Investments in Equity Shares carried at fair value through Profit and Loss "Quoted"</b>		
22,505 (PY-22,505) Equity Shares of Hindustan Petroleum Corporation Ltd. of ₹10/- each fully paid up.	75.48	81.81
18,228 (PY-9,114) Equity Shares of HDFC Limited of ₹2/- each fully paid up	133.35	166.62
3,700 (PY-3,700) Equity Shares Tata Consultancy Services Limited of ₹1/- each fully paid up	87.28	133.43
<b>Investments in Mutual funds carried at fair value through Profit and Loss</b>		
<b>Quoted</b>		
7,99,741.40 (PY-7,99,741.40) Units of SBI Magnum Gilt Fund-Long Term Reg (G)	529.15	522.46
38,58,187.14 (PY-38,58,187.14) Units of ICICI Prudential Gilt Fund (G)	3,992.09	3,889.15
89,600.40 (PY- 89,600.40) - Units of Kotak Gilt Investment	83.64	85.74
<b>Investment in Secured Bonds carried at amortised cost</b>		
500 (PY- 500) Secured Non- Convertible Redeemable REC Capital Gains tax exemption bonds	50.00	50.00
<b>Total</b>	<b>5,144.72</b>	<b>5,122.96</b>
Aggregate amount of Quoted Investments and market value there of	4,900.99	4,879.21
Aggregate amount of Unquoted Investments	243.73	243.75
Aggregate amount of impairment in the value of investments	-	-

4 Other Non- Current Financial Assets	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
<b>(Unsecured &amp; considered good)</b>		
Fixed Deposits with maturity of more than 12 months	72.46	220.07
Other Deposits	16.49	15.77
<b>Total</b>	<b>88.95</b>	<b>235.85</b>
<b>5 Deferred Tax Assets (Net)</b>		
<b>Deferred tax Liability</b>		
Written Down Value of PPE	(255.72)	(278.62)
Investments at Fair Value	(297.23)	(529.55)
<b>A</b>	<b>(552.94)</b>	<b>(808.17)</b>
<b>Deferred tax Asset</b>		
Gratuity	14.88	8.75
MAT Credit	845.21	949.04
Other Deferred tax Asset	28.71	40.95
Provision for expected credit loss	61.97	68.43
<b>B</b>	<b>950.77</b>	<b>1,067.17</b>
<b>Total (A+B)</b>	<b>397.83</b>	<b>259.00</b>
<b>6 Income tax asset (net)</b>		
Advance Income Tax (Net of Provision)	18.55	463.54
<b>Total</b>	<b>18.55</b>	<b>463.54</b>
<b>7 Other non-current assets</b>		
Prepaid expenses	1.92	0.02
<b>Total</b>	<b>1.92</b>	<b>0.02</b>
<b>8 Inventories</b>		
<b>(At lower of Cost or Net Realisable Value)</b>		
Raw Materials	954.49	665.31
Packing Materials	142.43	84.00
Finished Goods	500.71	529.79
Work in Progress	197.86	199.51
<b>Total</b>	<b>1,795.49</b>	<b>1,478.62</b>

Finished Goods Include stock in transit amounting to ₹0.27 lakhs as at 31.03.2026 (₹ 120.44 lakhs as at 31.03.2025)

**9 Investments (Current)**

	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
<b>Investments in Mutual Funds carried at fair value through Profit and Loss</b>		
4,11,871.33 (PY-11,63,837.16) Units of Axis Blue Chip Fund	221.50	666.06
2,16,472.59 (PY-3,94,983.03) Units of Mirae Asset India Equity Fund	215.77	413.28
8,77,805.57 (PY-8,77,805.57) Units of Kotak Gilt Investment Fund	819.41	840.00
49,838.61 (PY-49,838.61) Units of ICICI Prudential Equity & Debt Fund	186.92	183.75
180,925.86 (PY- 4,86,328.09) HDFC Short Term Debt Fund - Reg (G)	60.09	152.27
Nil (PY-20,843.16) Units of HDFC Balanced Advantage Fund	-	102.20
6,640.70 (PY-8530.68) Units of Kotak Money Market Fund	311.84	375.86
21,859.47 (PY- 21,859.47) Units of ICICI Prudential Saving Fund	124.38	116.40
45,271.19 (PY- Nil) Units of ICICI Pru Large Cap Equity Fund	45.21	-
3,709.27 (PY- Nil) Units of ICICI Prudential Multi Asset Fund	28.07	-
842.90 (PY- Nil) HDFC Money Market Fund	50.37	-
<b>Total</b>	<b>2,063.57</b>	<b>2,849.82</b>
Aggregate amount of Quoted Investments and Market Value thereof	2,063.57	2,849.82
Aggregate amount of impairment in the value of investments	-	-
<b>10 Trade Receivables</b>		
Unsecured Considered doubtful	-	-
Other Debts (Considered Good)		
<b>(a) Trade receivables considered good - Secured</b>	-	-
<b>(b) Trade receivables considered good - Unsecured</b>		
(i) Considered Good	4,957.50	4,084.83
(ii) Credit Impaired	222.74	234.98
	<b>5,180.24</b>	<b>4,319.80</b>
<b>(c) Trade Receivables which have significant increase in Credit Risk</b>		
Less : Impairment Loss Allowance (Refer note iii below)	(222.74)	(234.98)
<b>Total</b>	<b>4,957.50</b>	<b>4,084.83</b>
(i) For Trade Receivable Ageing Schedule, Refer Note. 44		
(ii) For Related party transactions, Refer Note 39		
<b>(iii) Movement in Credit Impaired</b>		
<b>Provision at the beginning of the year</b>	234.98	259.04
Add: Provision during the year		-
Less: Reversal during the year	(12.24)	(24.06)
Provision at the year end	<b>222.74</b>	<b>234.98</b>

11 Cash and Cash equivalents	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
Balances with banks		
In Current accounts	566.99	524.97
Bank Deposits with less than 3 months Maturity	7.41	40.09
Cash on hand	0.88	1.09
<b>Total</b>	<b>575.28</b>	<b>566.15</b>
12 Bank balances other than cash and cash equivalents		
Margin money (Including bank deposits with more than 3 months maturity)	767.46	733.44
In Unpaid Dividend Accounts	18.05	19.14
<b>Total</b>	<b>785.51</b>	<b>752.58</b>
13 Loans		
(Unsecured & considered good)		
Loan and advance to Employees	-	0.25
<b>Total</b>	<b>-</b>	<b>0.25</b>
For related party transactions (Refer note 39)		
14 Other Current Financial Assets		
(Unsecured & considered good)		
Security Deposits	74.14	54.84
<b>Total</b>	<b>74.14</b>	<b>54.84</b>
15 Other Current Assets		
Accrued Interest	0.67	-
Prepaid expenses	47.16	33.07
Advances for supply of goods and services	130.97	177.26
Balances with government authorities	5.30	6.01
Advances to Employees	2.57	14.80
Other Advances (Incl for Land at Kanagala)	817.35	-
<b>Total</b>	<b>1,004.03</b>	<b>231.14</b>
16 Equity Share Capital		
<b>Authorised</b>		
2,72,00,000 (PY-2,72,00,000) Equity Shares of ₹5/- each	<b>1,360.00</b>	<b>1,360.00</b>
<b>Issued, Subscribed and Paid up</b>		
134,48,288 (PY-134,48,288) Equity Shares of ₹5/- each fully paid up	672.41	672.41
<b>Total</b>	<b>672.41</b>	<b>672.41</b>

**16a Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:**

	As at 31/03/2026	As at 31/03/2025
	No. of Shares	No. of Shares
Number of shares outstanding at the beginning of the year	1,34,48,288	1,34,48,288
Additions during the year	-	-
Deductions during the year	-	-
Number of shares outstanding at the end of the year	1,34,48,288	1,34,48,288
<b>Total</b>	<b>1,34,48,288</b>	<b>1,34,48,288</b>

**16b Details of Shareholders holding more than 5% Shares**

Name of the Shareholder	% Held	As at 31/03/2026	% Held	As at 31/3/2025
		No. of Shares		No. of Shares
Nirmal Vinod Shah	0.00%	1,000	13.35%	1,795,190
Sameer Vinod Shah	27.36%	3,679,982	12.64%	1,700,144
Padma Vinod Shah	12.57%	1,691,100	12.57%	1,691,100
Visan Holdings Pvt. Ltd.	9.75%	1,310,630	9.75%	1,310,630

**16c Disclosure of shareholding of Promoters**

Disclosure of shareholding of promoters as at 31st March 2026 is as follows:

Shares held by promoter at the end of the year		No. of shares	% of total shares	% change during the year
Sr. No.	Promoter Name			
1	Nirmal Vinod Shah	1,000	0.007%	-13.34%
2	Sameer Vinod Shah	3,679,982	27.36%	14.72%
3	Padma Vinod Shah	1,691,100	12.57%	0.00%
4	Ashwin Ratilal Nagarwadia	500,000	3.72%	0.00%
5	Bhadresh Shah	188,934	1.40%	0.00%
<b>Total</b>		<b>6,061,016</b>	<b>45.06%</b>	<b>1.38%</b>

Disclosure of shareholding of promoters as at 31st March 2025 is as follows:

Shares held by promoter at the end of the year		No. of shares	% of total shares	% change during the year (Pursuant to the Scheme of Arrangement)
Sr. No.	Promoter Name			
1	Nirmal Vinod Shah	1,795,190	13.35%	0.00%
2	Sameer Vinod Shah	1,700,144	12.64%	0.10%
3	Padma Vinod Shah	1,691,100	12.57%	0.00%
4	Ashwin Ratilal Nagarwadia	500,000	3.72%	0.00%
5	Bhadresh Shah	188,934	1.40%	0.00%
<b>Total</b>		<b>5,875,368</b>	<b>43.68%</b>	<b>0.10%</b>

## 16 d Terms and rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the period of 5 years immediately preceding the balance sheet date, the company has neither issued or allotted any class of equity shares for consideration in cash, or by way of bonus issue or for any consideration other than cash, nor the company has bought back its own equity shares from its shareholders.

## 17 Other Equity

	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
<b>a. General Reserve</b>		
As per last year	1,488.11	1,488.11
Add: Transfer from Profit & Loss A/c.	-	-
Less: Appropriation	-	-
<b>Total</b>	<b>1,488.11</b>	<b>1,488.11</b>
<b>b. Securities Premium</b>		
As per last year	1,456.91	1,456.91
Less: Appropriation	-	-
<b>Total</b>	<b>1,456.91</b>	<b>1,456.91</b>
<b>c. Retained Earnings</b>		
As per last year	12,533.66	11,281.99
Add: Profit for the Year	775.88	1,722.36
	13,309.54	13,004.35
Less: Appropriations		
Dividend Paid	235.35	470.69
<b>Total</b>	<b>13,074.19</b>	<b>12,533.66</b>
<b>d. Capital Reserve</b>		
As per last year	233.55	233.55
Less: Appropriation	-	-
<b>Total</b>	<b>233.55</b>	<b>233.55</b>
<b>e. Share Option Outstanding Reserve</b>		
ESOP Reserve	1.13	
Less: Appropriation	-	-
<b>Total</b>	<b>1.13</b>	<b>-</b>
<b>f. Other Comprehensive Income (OCI)</b>		
Remeasurements of the net defined benefit Plans		
As per last year	15.88	10.44
Movement During the Year	19.58	5.44
<b>Total</b>	<b>35.46</b>	<b>15.88</b>
<b>Total</b>	<b>16,289.36</b>	<b>15,728.11</b>

**Nature & Purpose:**

**a. 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.

**b. Securities Premium :**

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act , 2013.

**c. Retained Earnings:**

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

**d. Capital Reserve:**

The capital reserve represents the excess of net assets acquired over the consideration paid during business combinations such as amalgamations, mergers, or acquisitions. This reserve arises primarily from the cancellation of shares of the amalgamated or merged entities and is maintained to facilitate future corporate restructuring activities, including mergers, demergers, or other forms of business combinations.

**e. Share Option Outstanding Reserve:**

The Company has a stock option scheme under which option to subscribe for the company's shares have been granted to certain executives and senior employees and key managerial personnel. The share option outstanding reserve is used to recognize the value of equity settled share based payments provided to employees, including certain key management personnel as a part of their remuneration.

**18 Provisions- Non Current**

**(a) Provision for employee benefits :**

Provision for Gratuity (Refer Note 38)

	<b>As at 31/03/2026</b> (₹ In lakhs)	<b>As at 31/03/2025</b> (₹ In lakhs)
	106.71	7.34
<b>Total</b>	<b>106.71</b>	<b>7.34</b>

**19 Trade Payables**

Total Outstanding Dues of Micro and Small Enterprises

Total Outstanding Dues of Creditors other than Micro and Small Enterprises

	575.55	293.77
	2,655.03	2,761.88
<b>Total</b>	<b>3,230.58</b>	<b>3,055.65</b>

a. For trade payable sgeing schedule Refer Note 45

b. For related party transaction Refer Note 39

	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
<b>c</b>		
The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at the year end. The disclosure pursuant to the said Act is as under:		
Principal amount due to suppliers under MSMED Act, 2006	575.55	293.77
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
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	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-
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.		
<b>20 Other Current Financial Liabilities</b>		
Unclaimed Dividend *	18.05	19.14
<b>Total</b>	<b>18.05</b>	<b>19.14</b>
* Not due for Deposit to Investor Education and Protection Fund		
<b>21 Other Current Liabilities</b>		
Statutory Dues	60.57	51.04
Employee Benefits Payable	603.08	595.90
Advance received from customer	22.37	28.11
<b>Total</b>	<b>686.03</b>	<b>675.05</b>
<b>22 Provisions</b>		
Provision for employee benefits:		
Provision for Gratuity (Refer Note 38)	53.49	22.72
<b>Total</b>	<b>53.49</b>	<b>22.72</b>
<b>23 Current Tax Liability</b>		
Provision for current tax (net)	96.90	-
<b>Total</b>	<b>96.90</b>	<b>-</b>

**24 Revenue from Operations**

Sale of Goods (Refer note 34)  
Sales of Services

	<b>2025-2026</b> (₹ In lakhs)	<b>2024-2025</b> (₹ In lakhs)
	20,943.35	16,876.54
	0.90	-
<b>Total</b>	<b>20,944.25</b>	<b>16,876.54</b>

**Other Operating revenue**

Management Services Charges from Related Party  
(For Related party transaction Refer Note No.39)  
Miscellaneous Income

	3.91	200.00
	65.96	44.17
<b>Total</b>	<b>69.87</b>	<b>244.17</b>
<b>Total</b>	<b>21,014.12</b>	<b>17,120.70</b>

**25 Other Income**

Dividend from Equity Investments at FVTPL  
Profit on sale of Investments at FVTPL  
Unrealised Gain/(Loss) on fair valuation of Investments at FVTPL  
Interest from Bank deposits at Effective Interest Rate at  
amortised cost  
Interest on Income tax refund  
Rent (Gross)  
Profit on Sale of Property Plant & Equipment  
Credit Balance written back  
Corporate Guarantee Fee

	9.63	8.59
	376.00	77.43
	(335.44)	504.50
	54.29	79.23
	140.14	-
	7.28	4.95
	0.60	-
	13.91	19.76
	-	25.50
<b>Total</b>	<b>266.41</b>	<b>719.97</b>

**26 Cost of materials consumed**

Raw Materials Consumed  
Packing Materials Consumed

	11,383.08	9,053.79
	1,125.90	877.46
<b>Total</b>	<b>12,508.98</b>	<b>9,931.25</b>

**27 Changes in inventory of Finished goods, Work in progress**

**(a) Finished goods/ Work In Progress (At Close)**

Finished goods  
Work In Progress

	500.71	529.79
	197.86	199.45
	<b>698.57</b>	<b>729.24</b>

**(b) Finished goods/ Work In Progress (At commencement)**

Finished goods  
Work In Progress

	529.79	481.85
	199.45	176.32
	<b>729.24</b>	<b>658.18</b>
<b>Total</b>	<b>30.67</b>	<b>(71.06)</b>

28 Employee benefit expenses	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Employee ESOP compensation (Refer Note 35)	1.13	-
Director Remuneration	166.44	101.17
Salaries & Wages*	2,628.66	2,140.54
Contribution to Provident & other funds	225.79	154.97
Staff Welfare Expenses	143.96	103.73
<b>Total</b>	<b>3,165.98</b>	<b>2,500.41</b>

\*Company has incurred employment benefit expense of ₹ 211.20 lakhs in the CY and ₹ 185.90 lakhs in the PY on Research & Development activities.

29 Finance Cost		
(a) Interest Expense		
- Banks	3.42	1.85
- Others	0.31	1.62
(b) Other borrowing costs		
- Bank Guarantee fees & charges	8.19	5.58
<b>Total</b>	<b>11.91</b>	<b>9.05</b>

30 Depreciation and Amortisation expenses		
Depreciation and Amortisation Expenses	350.46	260.68
<b>Total</b>	<b>350.46</b>	<b>260.68</b>

31 Other Expenses		
<b>Manufacturing Expenses</b>		
Consumable stores	64.11	68.27
Power, Fuel & Water Charges	161.59	145.47
Research and Development	58.38	73.86
Laboratory Expenses	20.07	20.43
Repairs and Renewals to Plant & Machinery	81.78	67.99
Rent (Refer note c)	69.07	20.11
Labour Charges	603.27	501.44
Security Expenses	75.18	70.89
Factory Maintenance	109.09	57.43
<b>Total A</b>	<b>1,242.55</b>	<b>1,025.90</b>
<b>Administrative Expenses</b>		
Directors' Sitting Fees	9.60	14.85
Rates & Taxes	28.22	15.82
Electricity charges	25.01	29.45
Printing and stationary	12.91	8.93
Telephone & Postage Expenses	21.30	16.69
Insurance	77.60	45.32
Motor car expenses	111.79	73.22
Auditors Remuneration (Refer note a)	11.50	16.26
Legal, Professional & consultancy fees (Refer note a)	478.58	477.36
Repairs & Maintenance Buildings	4.02	3.39

<b>31 Other Expenses (Cnt)</b>	<b>2025-2026</b> (₹ In lakhs)	<b>2024-2025</b> (₹ In lakhs)
Repairs & Maintenance Others	62.50	96.67
Miscellaneous expenses	150.09	82.93
Donation	0.18	0.47
CSR Expenditure (Refer Note b)	21.55	18.60
Loss on Sale of PPE	54.58	4.16
Input GST Reversed	0.09	1.21
Net loss on Foreign Exchange Fluctuation	30.83	15.09
Provision/(Reversal) for Expected credit loss on trade receivables	(12.24)	(32.15)
Bad Debts Written Off	8.47	32.88
<b>Total B</b>	<b>1,096.56</b>	<b>921.14</b>
<b>Selling and Distribution Expenses</b>		
Carriage outwards	822.91	669.12
Rent (Refer note c)	0.24	0.24
Commission on sales	340.88	363.95
Travelling Expenses	301.61	207.23
Conveyance expenses	96.59	98.92
Royalty Expenses	20.32	29.99
Advertising & Publicity Expenses	3.61	4.27
Warehousing Charges	12.40	11.79
Packing Expenses	42.51	21.37
Sales Promotion Expenses	94.36	92.12
<b>Total C</b>	<b>1,735.42</b>	<b>1,499.00</b>
<b>Total (A+B+C)</b>	<b>4,074.53</b>	<b>3,446.04</b>
<b>a Auditor's Remuneration consists of:</b>		
Statutory Audit Fees	11.50	16.26
Tax Audit Fees	3.57	-
Taxation and Other Matters	2.04	-
<b>Total</b>	<b>17.11</b>	<b>16.26</b>

**b Corporate Social Responsibility**

As per section 135 of the Companies Act 2013, a CSR committee has been formed by the Company. During the year funds were utilised for Promotion of Child Education & towards women empowerment and education which are specified in Schedule VII of the Companies Act, 2013.

- Gross amount required to be spent by the company during the year ₹ 21.55 lakhs. (Previous Year ₹18.60 lakhs)
- Amount spent during the year is ₹21.55 lakhs (Previous Year ₹18.60 lakhs)

Particulars	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
<b>Details of corporate social responsibility expenditure</b>		
a) Amount required to be spent by the company during the year	21.55	18.60
b) Amount of expenditure incurred	-	-
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) and above	21.55	18.60
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	-	-
f) Nature of CSR activities	Promotion of Child Education & towards women empowerment and education	Promotion of Child Education & towards women empowerment and education
g) Details of related party transactions	Refer Note 39	Refer Note 39
h) Where a provision is made with respect to a liability incurred by entering into a contractual the year shall be shown separately.	-	-

**c Lease**

The Company normally acquires offices, warehouses and vehicles under non-cancellable operational leases. Minimum lease payments outstanding at year end in respect of these assets are as under:

Company as a Lessee	(₹ In Lakhs except otherwise stated)	
	Total Minimum Lease Payment Outstanding as on 31/03/2026	Total Minimum Lease Payment Outstanding as on 31/03/2025
Due within one year	13.50	5.64
Due later than one year and not later than five years	89.13	85.15
Due later than five years	-	-
Lease receipts recognised in the Statement of Profit & Loss	69.31	20.35

**Company As a Lessor**

Company As a Lessor	(₹ In Lakhs except otherwise stated)	
	Total Minimum Lease Payment Outstanding as on 31/03/2026	Total Minimum Lease Payment Outstanding as on 31/03/2025
Due within one year	2.73	-
Due later than one year and not later than five years	-	-
Due later than five years	-	-
Lease receipts recognised in the Statement of Profit & Loss	7.28	4.95

**32 Exceptional Items**

Gain on Insurance Claim due to fire (Refer note 50)	-	154.74
Effect of Gratuity on account of implementation of new wage code (Refer note 50)	(117.00)	-
<b>Total</b>	(117.00)	154.74

**33 Earnings Per Share**

	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Net Profit available to Equity Shareholders	775.88	1,722.36
Total number of Equity Shares (Face value of ₹5/- each fully paid up)	13,448,288	13,448,288
Weighted No. of Equity Shares	13,448,288	13,448,288
Basic Earnings per Share (in Rupees)	5.77	12.81
Diluted No. of Equity Shares (Incl. Effect of ESOP granted which are dilutive)	13,449,923	13,448,288
Diluted Earnings per Share (in Rupees)	5.77	12.81

**34 Earnings In Foreign Exchange**

Export of Goods on FOB Basis	401.64	330.45
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**Total** **401.64** **330.45**

**35 Share based payments**

**Description of share based payment arrangement**

**Chembond ESOP 2025 Scheme**

The Company at its 50th Annual General Meeting held on 14th August 2025, has approved Chembond Material Technologies Limited Employee Stock Option Plan 2025 ("Chembond ESOP 2025") for granting 400,000 stock options to certain eligible employees.

The plan is administered by Nomination and Remuneration Committee of the Board ("the Committee") also known as Compensation Committee in compliance with the provision of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable provision of Companies Act 2013 for the time being in force. These options are granted to certain employees including certain key managerial personnel on vesting condition of time basis, company performance and individual performance as specified in the grant letter issued to each employee.

Scheme	Vesting Period	Exercise period	Year	Date of Grant	Number of options granted	Exercise price per equity shares* (in ₹)
Chembond ESOP 2025	The options granted shall vest after 1 year from the grant date.	An employee should exercise his/her right to apply for equity shares against the vested options within period of 5 Years from the date of vesting.	2025-26	16/01/2026	a. 23,688 b. 10,750	a. 164 b. 115

\* Method of Option Valuation/Exercise price

3 months average of daily opening and closing price of the equity shares of the company on the recognized stock exchange having highest trading volume on which the equity shares of the company are listed on the date immediately prior to the grant date subject to maximum discount of 30%.

**36 Segment Reporting**

As per Ind AS 108 - Operating Segment ('Ind AS 108'), if a financial statement contains both consolidated financial statements of a Company that is within the scope of this Ind AS as well as the Company separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under Ind AS 108 - Operating Segment has been given in the consolidated financial statements.

## 37 Financial instruments – Fair values and risk management

### A. Accounting classification and fair values

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

As at 31 March 2026									(₹ in Lakhs)
Particulars	Carrying amount				Fair value				
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>									
Cash and cash equivalents (Including other bank balances)	-	-	1,360.78	1,360.78	-	-	-	-	
Investments				-	-	-	-	-	
- Investments in Equity shares of subsidiaries (Unquoted)	-	-	190.00	190.00	-	-	-	-	
- Mutual Funds	6,668.45	-	-	6,668.45	6,668.45	-	-	6,668.45	
- Equity Shares (Quoted)	296.11	-	-	296.11	296.11	-	-	296.11	
- Equity Shares (Unquoted)	3.73	-	-	3.73	-	-	3.73	3.73	
- Secured Non Convertible Redeemable Bonds	-	-	50	50.00	-	-	-	-	
Trade and other receivables	-	-	4,957.50	4,957.50	-	-	-	-	
Loans	-	-	-	-	-	-	-	-	
Other financial assets	-	-	163.09	163.09	-	-	-	-	
<b>TOTAL</b>	<b>6,968.29</b>	<b>-</b>	<b>6,721.37</b>	<b>13,689.67</b>	<b>6,964.56</b>	<b>-</b>	<b>3.73</b>	<b>6,968.29</b>	
<b>Financial liabilities</b>									
Long term borrowings (Including current maturity of Long term borrowings)	-	-	-	-	-	-	-	-	
Short term borrowings	-	-	-	-	-	-	-	-	
Trade and other payables	-	-	3,230.58	3,230.58	-	-	-	-	
Other financial liabilities	-	-	18.05	18.05	-	-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3,248.63</b>	<b>3,248.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

As at 31 March 2025									(₹ in Lakhs)
Particulars	Carrying amount				Fair value				
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>									
Cash and cash equivalents (Including other bank balances)	-	-	1,318.73	1,318.73	-	-	-	-	
Investments				-	-	-	-	-	
- Investments in Equity shares of subsidiaries (Unquoted)	-	-	190.00	190.00	-	-	-	-	
- Mutual Funds	7,347.18	-	-	7,347.18	7,347.18	-	-	7,347.18	
- Equity Shares (Quoted)	381.86	-	-	381.86	381.86	-	-	381.86	
- Equity Shares (Unquoted)	3.75	-	-	3.75	-	-	3.75	3.75	
- Secured Non Convertible Redeemable Bonds	-	-	50.00	50	-	-	-	-	
Trade and other receivables	-	-	4,084.83	4,084.83	-	-	-	-	
Loans	-	-	0.25	0.25	-	-	-	-	
Other financial assets	-	-	290.69	290.69	-	-	-	-	
<b>TOTAL</b>	<b>7,732.78</b>	<b>-</b>	<b>5,934.49</b>	<b>13,667.27</b>	<b>7,729.03</b>	<b>-</b>	<b>3.75</b>	<b>7,732.78</b>	
<b>Financial liabilities</b>									
Long term borrowings (Including current maturity of Long term borrowings)	-	-	-	-	-	-	-	-	
Short term borrowings	-	-	-	-	-	-	-	-	
Trade and other payables	-	-	3,055.65	3,055.65	-	-	-	-	
Other financial liabilities	-	-	19.14	19.14	-	-	-	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3,074.80</b>	<b>3,074.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

## **B. Measurement of fair values**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below:

Level 1: Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. e.g. unlisted equity securities.

### **Transfers between Levels**

There are no transfers between the levels

## **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 counter party 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.

### iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

(₹ In Lakhs)

Sr No	As at 31st March 2026	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Trade Payables	19	3,230.58	3,225.58	5.00
2	Other Financial Liability	20	18.05	18.05	-
<b>Total</b>			<b>3,248.63</b>	<b>3,243.63</b>	<b>5.00</b>

(₹ In Lakhs)

Sr No	As at 31st March 2025	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Trade Payables	19	3,055.65	3,022.29	33.37
2	Other Financial Liability	20	19.14	19.14	-
<b>Total</b>			<b>3,074.80</b>	<b>3,041.43</b>	<b>33.37</b>

### 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.

**Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

a The Company has not entered into forward contracts to hedge the foreign currency risks arising from amounts designated in foreign currency.

**b Foreign Currency Exposures at the year end not hedged by derivative instruments:**

(₹ In Lakhs)

Currency	Nature	As at 31/03/2026		As at 31/03/2025	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars	Liability	1.29	122.26	1.43	122.02
CHF	Asset	-	-	-	-
Euro	Asset	-	-	-	-
US Dollars	Asset	0.36	34.35	-	-

**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.

**38 Employee Benefit obligations**

**(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**

(₹ In Lakhs)

	Year ended 31.03.2026	Year ended 31.03.2025
Contribution to Provident Fund	174.32	107.88
Contribution to Superannuation Fund	23.13	13.26
Contribution to ESIC	0.83	1.57
Contribution to Labour Welfare Fund	0.33	0.30
<b>Total</b>	<b>198.61</b>	<b>123.02</b>

**(B) Defined Benefit Plan**

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

	(₹ In Lakhs)	
	As at 31 March 2026	As at 31 March 2025
	<b>(Funded Plan)</b>	
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	474.33	426.88
Amount recognised in profit and loss		
Transfer in/(out) obligation	-	2.12
Current service cost	47.78	43.57
Interest cost	31.40	31.08
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Return on Plan Assets	(18.45)	(0.12)
Financial assumptions	98.00	(8.23)
Other		
Benefits paid	(84.00)	(20.96)
Closing defined benefit obligation	<b>549.06</b>	<b>474.33</b>
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	444.27	403.72
Amount recognised in profit and loss		
Transfer in/(out) obligation	(9.63)	2.19
Interest income	28.76	29.43
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	(1.08)	(0.69)
Other		
Contributions by employer	10.57	30.58
Benefits paid	(84.00)	(20.96)
Closing fair value of plan assets	<b>388.87</b>	<b>444.27</b>
Actual return on Plan Assets	27.67	28.74
<b>(iii) Plan assets comprise the following</b>		
	<b>Unquoted</b>	Unquoted
Insurance fund (100%)	388.87	444.27
(The Company has this investment in Group Gratuity Policy with LIC. The details of further investment by LIC is not available with the Company.)		
<b>(iv) Principal actuarial assumptions used</b>	%	%
Discount rate	7.20	6.63
Withdrawal Rate	1.00	1.00
Future Salary Increase	5.00	5.00
<b>(v) Amount recognised in the Balance Sheet</b>		
Present value of obligations as at year end	549.06	474.33
Fair value of plan assets as at year end	388.87	444.27
Net (asset) / liability recognised as at year end	<b>160.19</b>	<b>30.06</b>
Recognised under :		
Short term provisions	53.49	22.72
Long term provisions	106.71	7.34
<b>Total</b>	<b>160.20</b>	<b>30.06</b>

**(vi) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at 31st March, 2026		As at 31st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate 1%/(0.5%) movement - Gratuity	(5.30)	6.10	(6.00)	6.90
Future salary growth 1%/(0.5%) movement - Gratuity	6.10	(5.40)	6.90	6.10

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

**(vii) Expected future cash flows**

The expected maturity analysis is as follows :	(₹ In Lakhs)	
	For year ended 31.03.2026	For year ended 31.03.2025
Expected benefits for year 1	195.82	72.78
Expected benefits for year 2	22.18	17.30
Expected benefits for year 3	32.10	10.13
Expected benefits for year 4	30.16	25.66
Expected benefits for year 5	66.41	9.79
Expected benefits for year 6 and above	179.94	97.84

**39 Related Party Disclosures**

Related party disclosures as required under Accounting Standard on “Related Party Disclosures” issued by the Institute of Chartered Accountants of

a) Relationship:

**i. Subsidiary Company:**

Chembond Biosciences Limited

**ii. Key Management Personnel and their relatives (KMP)**

**Key Management Personnel:**

Sameer V. Shah, Nirmal V. Shah, Jaywant K. Tawade, Rashmi S. Gavli, Suchita H. Singh

**Relatives :**

Sameer V. Shah HUF, Shilpa Shah, Padma Shah, Raunaq Shah, Mallika Shah, Navaneeth Venkateshwara, Amrita Shah, Shashank Alpana Shah, Jyoti Mehta, Nirmal V. Shah HUF, Mamta Shah, Rahil Shah, Kshitija Shah, Sameer L. Gavli, Rati M. Tipnis, Nupur S. Gavli, Tushar M. Tipnis, Yogita Tipnis, Hemant Singh, Ranganath Shastri, Mohan Sharma, Premlata Shastri, Shreeya Singh, Krishna Singh, Bhadresh Shah

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

CCL Opto Electronics Pvt Ltd., Finor Piplaj Chemicals Ltd., S and N Ventures Private Ltd., Visan Holdings Pvt Ltd Visan Trust, Chembond Water Technologies Ltd. Chembond Distribution Ltd, CCL Products LLC, Chembond Chemicals Ltd. (Formerly Known as Chembond Chemical Specialties Limited (CCSL))

(₹ In Lakhs)

For the year ended / as at	31.03.2026			31.03.2025		
	Subsidiary	KMP, Relatives and entities where KMP are interested	Total	Subsidiary	KMP, Relatives and entities where KMP are interested	Total
<b>A. Disclosure of transaction between the company and related party other than KMP</b>						
<b>Sales of Goods</b>	<b>111.12</b>	<b>290.46</b>	<b>401.58</b>	<b>111.20</b>	<b>17.43</b>	<b>128.63</b>
Chembond Water Technologies Ltd		267.60	267.60	-	9.74	9.74
Chembond Chemicals Ltd		8.73	8.73	-	7.69	7.69
Chembond Distribution Ltd		14.13	14.13			-
Chembond Biosciences Ltd	111.12		111.12	111.20		111.20
<b>Purchase of Goods</b>	<b>117.18</b>	<b>126.28</b>	<b>243.46</b>	<b>73.92</b>	<b>77.18</b>	<b>151.10</b>
Chembond Water Technologies Ltd		15.56	15.56	-	1.76	1.76
Chembond Chemicals Ltd		0.98	0.98	-	-	-
Chembond Distribution Ltd		109.74	109.74	-	75.42	75.42
Chembond Biosciences Ltd	117.18		117.18	73.92	-	73.92
<b>Purchase of Fixed Assets</b>	-	-	-	<b>0.49</b>	-	<b>0.49</b>
Chembond Biosciences Ltd		-	-	0.49	-	0.49
<b>Rent Income</b>	-	<b>7.28</b>	<b>7.28</b>	-	-	-
Chembond Distribution Ltd		7.28	7.28			
<b>SubContract Receipt (Revenue)</b>	<b>104.18</b>	<b>0.51</b>	<b>104.69</b>	<b>89.18</b>	-	<b>89.18</b>
Chembond Biosciences Ltd	104.18	-	104.18	89.18	-	89.18
Chembond Water Technologies Ltd		0.51	0.51			
<b>Corporate Guarantee Fees (Income)</b>	-	-	-	-	<b>24.00</b>	<b>24.00</b>
Chembond Water Technologies Ltd		-	-		24.00	24.00
<b>Management Service Charges (Income)</b>	-	<b>3.91</b>	<b>3.91</b>	-	<b>200.00</b>	<b>200.00</b>
Chembond Water Technologies Ltd		3.91	3.91		200.00	200.00
<b>Rental Expenses</b>	-	<b>40.20</b>	<b>40.20</b>	-	<b>1.20</b>	<b>1.20</b>
Chembond Water Technologies Ltd		1.80	1.80		1.20	1.20
Chembond Chemicals Ltd		38.40	38.40			
<b>Royalty</b>	-	<b>20.32</b>	<b>20.32</b>	-	<b>6.23</b>	<b>6.23</b>
S and N Ventures Pvt Ltd		20.32	20.32		6.23	6.23

(₹ In Lakhs)

For the year ended / as at	31.03.2026			31.03.2025		
	Subsidiary	KMP, Relatives and entities where KMP are interested	Total	Subsidiary	KMP, Relatives and entities where KMP are interested	Total
<b>B. Disclosure of transactions with Key Managerial Personnel &amp; close family members of KMP.</b>						
Employment Benefits	-	399.73	399.73	-	266.57	266.57
Sitting Fees	-	9.60	9.60	-	20.80	20.80
Professional and consultancy charges	-	29.74	29.74	-	57.17	57.17
<b>Total Remuneration Paid to KMP's</b>	-	<b>439.07</b>	<b>439.07</b>	-	<b>344.54</b>	<b>344.54</b>
<b>Balance at the end of the year</b>						
<b>A. Sundry Debtors</b>	<b>742.60</b>	-	<b>742.60</b>	<b>991.79</b>	<b>3.85</b>	<b>995.64</b>
Chembond Water Technologies Ltd	-	-	-	-	2.56	2.56
Chembond Chemicals Ltd	-	-	-	-	1.29	1.29
Chembond Biosciences Ltd	742.60	-	742.60	991.79	-	991.79
<b>B. Sundry Creditors</b>	-	<b>142.84</b>	<b>142.84</b>	-	<b>18.40</b>	<b>18.40</b>
Chembond Water Technologies Ltd	-	9.96	9.96	-	3.58	3.58
Chembond Distribution Ltd	-	4.46	4.46	-	3.38	3.38
CCL Products LLC	-	-	-	-	11.44	11.44
Chembond Chemicals Ltd	-	128.42	128.42	-	-	-

#### 40 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2026, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

(Refer Note. 43 for Debt/Equity ratio)

**41 Tax Reconciliation**

	2025-2026 ₹ In Lakhs	2024-2025 ₹ In Lakhs
(a) The income tax expense consists of the followings:		
Particulars		
Current Income Tax	391.99	328.06
Deferred Tax Expense	(146.86)	(131.37)
<b>Tax expense for the year</b>	<b>245.13</b>	<b>196.69</b>
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax Rate		
Profit before income tax expense	1,021.01	1,919.05
Indian statutory income tax rate	27.82%	17.47%
Expected Income Tax expenses	284.05	335.30
Part A		
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Additional allowances/deduction	325.54	329.68
Short/Excess Provision	66.45	-
Others	-	(1.62)
Current Tax	(A) <b>391.99</b>	<b>328.06</b>
Part B		
Deferred Tax Effect at the rate of:		
Depreciation	(22.90)	(168.27)
Investments at Fair Value	(232.32)	353.30
Less:		
Gratuity	(14.17)	13.93
MAT Credit	103.83	(312.07)
Accrued expenses allowed in the year of payment	12.24	(30.18)
Provision for expected credit loss	6.46	11.93
Deferred Tax	(B) <b>(146.86)</b>	<b>(131.37)</b>
<b>Tax Expense</b>	<b>(A+B) 245.13</b>	<b>196.69</b>

**42 Contingent Liabilities and Commitments (To the extent not provided for) :**
**A) Contingent Liabilities not provided for :**

a) Claims against the company not acknowledged as debts -		
i) Income Tax matter under Appeal	-	14.39
ii) TDS Default	-	6.21
iii) Service tax due as per final audit report and show cause notice	259.42	259.42
iv) Income tax demands pending for rectification	15.17	178.48
v) GST Demand on sale of Thane Plot- Dy Commissioner of State Tax	178.48	-

**42 Contingent Liabilities and Commitments (To the extent not provided for) :**

- vi) Davendra Feeds India Private Limited had lodged. F.I.R dated 24th June, 2022 with police station Safidon District Jind Haryana against Chembond Chemicals Limited (now known as Chembond Material Technologies Limited), Mr Sameer Shah (Chairman & Managing Director) and 3 other current & ex-employees, with respect to damage caused by inferior quality of Products. The Company has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is being currently considered by the Competent Authorities and Courts.
- b) Counter Guarantees given by Company for Bank Guarantees issued -
- i) Corporate Guarantee given to Bank of India by the Company on behalf of Chembond Water Technologies Ltd.

2025-2026  
₹ In Lakhs

2024-2025  
₹ In Lakhs

-	-
-	2,550.00

**43 Ratios**

(₹ In Lakhs)

**Financial Ratios**

**(a) Current Ratio**

Current Assets(A)

11,255.51

10,018.23

Current Liabilities(B)

4,085.04

3,772.57

**Current Ratio( A/B)**

**2.76**

**2.66**

**3.76%**

**(b) Debt-Equity Ratio**

Total Borrowings(A)

-

-

Total Shareholders' Equity(B) - Total Equity

16,961.77

16,400.52

**Debt-Equity Ratio( A/B)**

-

-

**0.00%**

**(c) Debt Service Coverage Ratio #**

Earning for Debt service = Net Profit after taxes + Non-cash operating expenses + interest + Other adjustments

1,516.04

1,470.52

Interest on Loan+Loan repayment in a year(B)

3.42

1.85

**Debt Service Coverage Ratio( A/B)**

**443.65**

**795.49**

**(44.23%)**

**(d) Return on Equity Ratio (in %)#**

Net Profit(A)

775.88

1,722.36

Average Shareholders Equity(B)

16,681.15

16,400.52

**Return on Equity Ratio( A/B)**

**4.65%**

**10.50%**

**(55.71%)**

**(e) Inventory turnover ratio**

Raw-materials, components, finished goods and work in progress consumed (A)

12,539.65

9,860.19

Average Inventory(B)

1,795.49

1,478.62

**Inventory turnover Ratio( A/B)**

**6.98**

**6.67**

**4.73%**

## 43 Ratios

(₹ In Lakhs)

### Financial Ratios

	FY 2025-2026	FY 2024-2025	Variance
<b>(f) Trade receivables turnover ratio</b>			
Net sales(A)	21,014.12	17,120.70	
Accounts receivable(B)	4,957.50	4,084.83	
<b>Trade receivable turnover Ratio( A/B)</b>	<b>4.24</b>	<b>4.19</b>	<b>1.13%</b>
<b>(g) Trade Payables turnover ratio</b>			
Net Purchases(A)	12,539.65	9,860.19	
Trade payable (B)	3,230.58	3,055.65	
<b>Trade Payables turnover Ratio( A/B)</b>	<b>3.88</b>	<b>3.23</b>	<b>20.29%</b>
<b>(h) Net Capital turnover ratio</b>			
Net sales(A)	21,014.12	17,120.70	
Working capital (ie. Total current assets less Total current liabilities)	7,170.47	6,245.66	
<b>Net Capital turnover Ratio( A/B)</b>	<b>2.93</b>	<b>2.74</b>	<b>6.91%</b>
<b>(i) Net Profit ratio #</b>			
Net Profit(A)	775.88	1,722.36	
Net Sales(B)	21,014.12	17,120.70	
<b>Net Profit Ratio( A/B)</b>	<b>3.69%</b>	<b>10.06%</b>	<b>-63.30%</b>
<b>(j) Return on Capital employed (in %)#</b>			
EBIT(A) - PBT+Finance Costs (A)	1,032.93	1,928.10	
Shareholders Equity+Long term liabilities(B) - Total Equity	16,961.77	16,400.52	
<b>Return on Capital employed( A/B)</b>	<b>6.09%</b>	<b>11.76%</b>	<b>-48.20%</b>
<b>(k) Return on Investment (in %)#</b>			
Income generated from Invested funds (Dividend Income + Realised and unrealised gain from fair value of investments) (A)	50.19	590.53	
Average cost of Investments(B)	7,158.10	7,382.25	
<b>Return on Investment( A/B)</b>	<b>0.70%</b>	<b>8.00%</b>	<b>-91.23%</b>

#c- Debt service coverage ratio has decreased on account of utilisation of working capital limits.

#d, i, j, k - Return on equity, Net Profit ratio, Return on Capital employed & Return on Investments has dropped due to decrease in fair value of investments and rise in input cost.

**44 Ageing Schedule for Trade receivables**

Ageing for trade receivables outstanding as on 31st March 2026 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables - considered good	3,079.47	1,846.65	31.38	-	-	-	4,957.50
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) undisputed trade receivables - credit impaired	-	-	-	18.59	204.15	-	222.74
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less : Allowance for doubtful trade receivables	-	-	-	(18.59)	(204.15)	-	(222.74)
<b>Trade receivables</b>	<b>3,079.47</b>	<b>1,846.65</b>	<b>31.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,957.50</b>

Ageing for trade receivables outstanding as on 31st March 2025 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables - considered good	2,671.00	893.38	520.45	-	-	-	4,084.83
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) undisputed trade receivables - credit impaired	-	-	-	-	65.58	169.40	234.98
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less : Allowance for doubtful trade receivables	-	-	-	-	(65.58)	(169.40)	(234.98)
<b>Trade receivables</b>	<b>2,671.00</b>	<b>893.38</b>	<b>520.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,084.83</b>

## 45 Ageing Schedule for Trade Payables

Ageing for trade Payables outstanding as on 31st March 2026 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years.	Total
I) MSME	575.55	-	-	-	-	575.55
II) Others	2,254.30	395.73	5.00	-	-	2,655.03
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
<b>Net trade payables</b>	<b>2,829.85</b>	<b>395.73</b>	<b>5.00</b>	<b>-</b>	<b>-</b>	<b>3,230.58</b>

Ageing for trade Payables outstanding as on 31st March 2025 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years.	Total
I) MSME	293.77	-	-	-	-	293.77
II) Others	1,886.08	842.44	-	17.98	15.38	2,761.88
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
<b>Net trade payables</b>	<b>2,179.85</b>	<b>842.44</b>	<b>-</b>	<b>17.98</b>	<b>15.38</b>	<b>3,055.65</b>

## 46 Ageing Schedule for Capital Work in Progress

Ageing for CWIP as on 31st March 2026 is as follows :

(₹ In Lakhs)

Particulars	Amount in CWIP for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	204.36	0.90	-	-	205.26
ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>204.36</b>	<b>0.90</b>	<b>-</b>	<b>-</b>	<b>205.26</b>

Ageing for CWIP as on 31st March 2025 is as follows :

(₹ In Lakhs)

Particulars	Amount in CWIP for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	130.48	84.80	535.28	-	750.56
ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>130.48</b>	<b>84.80</b>	<b>535.28</b>	<b>-</b>	<b>750.56</b>

**47 Additional regulatory information not disclosed elsewhere in the financial information**

- A The Company does 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 does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, during the FY 25-26 & FY 24-25
- C The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: 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
- D The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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,
- E 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).
- F The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- G 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.
- H 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.

**48 Working Capital Facilities:-**

**Details of credit facilities from banks:**

The Company has sanctioned credit facilities from HDFC Bank of ₹ 472.50 lakhs and Bank of India of ₹ 100.00 lakhs (i.e cash credit facility - ₹320.00 lakhs, letter of credit - ₹ 209.60 lakhs and Bank Guarantee - ₹ 42.89 lakhs)

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

**Terms of loan**

- a) The credit facility carries interest at mutually agreed rates,(interest payable on monthly rests).
  - b) The credit facility is secured by : Hypothecation of stocks and book debts, Factory land & building.
- 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.

## 49 Audit Trail

The Company uses accounting software, payroll application and employee reimbursement software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software/application. The software being managed on public cloud, users do not have access to enable, disable, deactivate or tamper with the audit trail setting.

The audit trail feature is not enabled at the database level for the accounting software.

The Company has preserved the audit trail in compliance with statutory record retention requirements.

## 50 Exceptional Items:

- a. Pursuant to the notification of the new Labour Codes effective from 21st November, 2025, the Company based on actuarial valuation has for the year ended 31st March, 2026, accounted for the impact of expenditure on account of Gratuity and the same is disclosed as an exceptional item.
  - b. Exceptional item of ₹154.74 lakhs, accounted in FY 24-25 pertains to full and final settlement of insurance claim related to replacement value of Property Plant & Equipment that had damaged due to fire incident occurred at the Tarapur plant in the month of April 2022.
51. The company has evaluated the option permitted under section 115BAA of the Income Tax Act, 1961 (the “Act”) as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has presently decided to continue with the existing tax structure.
52. The previous year figures have been regrouped, reallocated and reclassified wherever necessary to conform with current year classification and presentation.

### As per our attached report of even date On behalf of the Board of Directors

#### For M/s Kastury & Talati

Chartered Accountants  
FRN - 104908W

#### Sameer V. Shah

Chairman & Managing Director  
DIN: 00105721

#### Jayesh Shah

Director  
DIN: 00138346

#### Jaywant Tawade

Executive Director  
DIN: 08231696

#### Dhiren P. Talati

Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

#### Rashmi S. Gavli

Chief Financial Officer  
Navi Mumbai, 15th May 2026

#### Suchita Singh

Company  
Secretary

# **Consolidated Financial Statements**

## INDEPENDENT AUDITOR'S REPORT

**To the Members of  
Chembond Material Technologies Limited  
Report on the Audit of the Consolidated Financial  
Statements:**

### 1. Opinion

We have audited the Consolidated financial statements of Chembond Material Technologies Limited ("the Parent") (formerly known as Chembond Chemicals Limited), and its subsidiary listed in **Annexure – A** (the Parent and its subsidiary, together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2026, the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of material 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 Consolidated 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 as amended and other accounting principles generally accepted in India of the state of affairs of the Group as at 31st March 2026, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### 2. Basis for Opinion

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

We are independent of the Group 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 consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

### 3. Other Matter

Comparative consolidated financial statements/information for the year ended March 2025 was audited by the predecessor statutory auditors who expressed an unmodified opinion vide their report dated May 30, 2025.

### 4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p><b>Contingent liabilities</b></p> <p>The Group has disclosed in note no. 43 to the consolidated financial statements the contingent liabilities as at 31 March, 2026 which includes disputed liabilities in respect of income tax, service tax matters, GST demand and a case lodged against the Group with respect to inferior quality of products.</p> <p>These involve a high degree of judgement to determine the possible outcomes and estimates relating to the timing and the amount of outflows of resources embodying economic benefits.</p>	<p>As part of our audit procedures, we have assessed Parent Company's management's processes to identify new possible obligations and changes in existing obligations for compliance with Ind AS 37 requirements.</p> <p>We have analysed significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied.</p> <p>We have obtained legal representation letters on the main outstanding legal cases.</p> <p>As part of our audit procedures, we have reviewed minutes of board meetings, including the sub-committees.</p> <p>We have held regular meetings with management and legal counsels.</p> <p>We have assessed the appropriateness of presentation of the most significant contingent liabilities in the consolidated financial statements.</p>

**5. Information Other than the Consolidated Financial Statements and Auditor's Report thereon**

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of

the other information, we are required to report that fact. We have nothing to report in this regard.

**6. Responsibilities of management and Those Charged with Governance for the Consolidated financial statements**

The accompanying Consolidated financial statements have been approved by the Parent Company's Board of Directors. The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements to give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

### **7. Auditor's Responsibility for the audit of the Consolidated Financial Statements.**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent 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 Parent'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 consolidated 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 Parent to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial statements of the company to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 Consolidated 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.

### 8. Report on Other Legal and Regulatory Requirements

- 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 purpose of our audit.
  - b. In our opinion proper books of account as required by law relating to the preparation of the Consolidated financial statements have been kept by the Parent so far as it appears from our examination of those books, except for the matters stated in 8(C)(vi) below.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

- e. On the basis of written representations received from the Directors as on March 31, 2026 and taken on record by the Board of Directors of the Parent and its Subsidiary, none of the directors of the Group is disqualified as on March 31, 2026 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 b above on reporting under section 143(3)(b) of the Act and paragraph 8(C)(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 group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls with reference to consolidated financial statements.
- B)** With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Parent and its Subsidiary to its directors during the year is in accordance with the provisions of section 197 of the Act.
- C)** With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact if any, of pending litigations on its financial position in its consolidated financial statements. Refer note no 43 of the consolidated financial statements.
  - ii. In our opinion and as per the information and explanations provided to us the Group has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards for material foreseeable losses,
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group,
  - iv. (a) The respective managements of the Parent and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and auditors of such subsidiary, respectively that, to the best of their knowledge and belief, 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 Parent or its subsidiary companies, to or in any persons or entities, including foreign entities ('the 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 Parent, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
  - (b) The respective managements of the Parent and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been received by the Parent or its

subsidiary companies, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Parent, or any such subsidiary companies, 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; and

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under iv (a) and (b) above, contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013
- vi. Based on our examination which included test checks, the Group has used accounting software, payroll application and employee reimbursement software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software/ application. However, audit trail feature is not enabled at the database level for accounting software to log any direct data changes as

described in note no. 51 to the consolidated financial statements. Further, during the course of our audit, we did not come across any instance of an audit trail feature being tampered with in respect of the accounting software, payroll application and employee reimbursement software.

The Group has preserved the audit trail in compliance with statutory record retention requirements.

- D) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "the CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, according to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and the subsidiary included in the consolidated financial statements of the group, we report that there are no qualifications or adverse remarks in these CARO reports:

For **M/s. Kastury & Talati**

Chartered Accountants

Firm Registration No. 104908W

**Dhiren P. Talati**

Partner

Membership No.: F/41867

UDIN: 26041867NCGEUD1976

Place: Navi Mumbai

Date: 15<sup>th</sup> May, 2026

## Annexure - A List of subsidiary included in the Consolidated Financial Statements

Sr. No.	Name of the entity	Relationship
1.	Chembond Biosciences Limited	Subsidiary Company

## Annexure - B to the Independent Auditors' Report

The Annexure Referred to in paragraph 8A(g) of the Independent Auditor's Report of even date to the members of Chembond Material Technologies Limited on the Consolidated Financial Statements for the year ended March 31, 2026.

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

We have audited the internal financial controls over financial reporting of Chembond Material Technologies Limited ("the Parent") and its subsidiary (the Parent and its subsidiary, together referred to as "the Group") as of March 31, 2026 in conjunction with our audit of the financial statements of the Group for the year ended on that date.

#### Opinion

In our opinion, the Parent and its subsidiary incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Parent and its subsidiary incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent and its subsidiary incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design,

implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

audit opinion on the Group's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### For M/s. Kastury & Talati

Chartered Accountants

Firm Registration No. 104908W

### Dhiren P. Talati

Partner

Membership No.: F/41867

UDIN: 26041867NCGEUD1976

Place: Navi Mumbai

Date: 15<sup>th</sup> May, 2026

## Consolidated Balance Sheet

	Notes	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
<b>Assets</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	2	4,016.05	3,325.49
(b) Capital Work-In-Progress	2	205.26	750.56
(c) Other Intangible Assets	2	50.47	28.82
(d) Financial Assets			
i) Investments	3	4,954.72	4,932.96
ii) Other Financial Assets	4	90.07	236.70
(e) Deferred Tax Assets (net)	5	424.96	302.73
(f) Income Tax Asset (net)	6	18.66	464.18
(g) Other Non-current Assets	7	2.12	3.69
<b>Total Non-current Assets</b>		<b>9,762.31</b>	<b>10,045.11</b>
<b>Current Assets</b>			
(a) Inventories	8	1,980.75	1,621.73
(b) Financial Assets			
i) Investments	9	2,063.57	2,849.82
ii) Trade Receivables	10	5,292.09	3,991.71
iii) Cash and Cash Equivalents	11	940.78	600.72
iv) Bank Balances other than (iii) above	12	792.91	759.52
v) Loans	13	-	0.25
vi) Other Financial Assets	14	74.14	54.84
(c) Other Current Assets	15	1,035.48	250.27
<b>Total Current Assets</b>		<b>12,179.72</b>	<b>10,128.85</b>
<b>Total Assets</b>	<b>Total</b>	<b>21,942.02</b>	<b>20,173.96</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
(a) Share Capital	16	672.41	672.41
(b) Other Equity	17	16,021.71	14,944.13
<b>Total Equity</b>		<b>16,694.12</b>	<b>15,616.54</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Provisions	18	107.32	7.34
<b>Total Non-current Liabilities</b>		<b>107.32</b>	<b>7.34</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	19	415.70	264.63
ii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	20	668.58	365.09
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	20	2,851.43	2,910.42
iii) Other Financial Liabilities	21	18.05	19.14
(b) Other Current Liabilities	22	1,029.45	968.08
(c) Short Term Provisions	23	60.48	22.72
(d) Current Tax Liabilities (Net)	24	96.90	-
<b>Total Current Liabilities</b>		<b>5,140.59</b>	<b>4,550.08</b>
<b>Total Equity &amp; Liabilities</b>	<b>Total</b>	<b>21,942.02</b>	<b>20,173.96</b>
Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.	1-54		

As per our attached report of even date      On behalf of the Board of Directors

**For M/s Kastury & Talati**  
Chartered Accountants  
FRN - 104908W

**Sameer V. Shah**  
Chairman & Managing Director  
DIN: 00105721

**Jayesh Shah**  
Independent Director  
DIN: 00138346

**Jaywant Tawade**  
Executive Director  
DIN: 08231696

**Dhiren P. Talati**  
Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

**Rashmi S. Gavli**  
Chief Financial Officer  
Navi Mumbai, 15th May 2026

**Suchita Singh**  
Company Secretary

## Consolidated Statement of Profit and Loss

	Notes	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Revenue From Operations	25	25,007.40	20,129.99
Other Income	26	266.94	761.68
<b>Total Revenue</b>		<b>25,274.34</b>	<b>20,891.67</b>
<b>Expenses :</b>			
Cost of Materials Consumed	27	14,724.15	11,619.20
Changes in Inventories of Finished goods, Work-in-progress	28	34.40	(10.85)
Employee Benefits Expense	29	3,745.42	3,079.55
Finance Costs	30	36.69	63.79
Depreciation and Amortisation expense	31	354.32	264.86
Other Expenses	32	4,695.50	4,083.75
<b>Total Expenses</b>		<b>23,590.48</b>	<b>19,100.30</b>
<b>Profit before exceptional items and tax</b>		<b>1,683.86</b>	<b>1,791.36</b>
Exceptional Items	33 & 52	(132.48)	154.74
<b>Profit before Tax</b>		<b>1,551.38</b>	<b>1,946.10</b>
<b>Tax Expense</b>			
Current Tax	41	392.58	328.09
Deferred Tax		(130.27)	(138.23)
<b>Total Tax Expense</b>		<b>262.31</b>	<b>189.86</b>
<b>Profit for the Year</b>		<b>1,289.07</b>	<b>1,756.24</b>
<b>Other Comprehensive Income</b>			
1i) Items that will not be reclassified to profit or loss (On account of actuarial gain/loss on post employment benefit plans)		30.76	8.99
ii) Income Tax relating to items that will not be reclassified to profit or loss		(8.04)	(2.23)
2i) Items that will be reclassified to profit or loss		-	-
ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income</b>		<b>22.72</b>	<b>6.75</b>
<b>Total Comprehensive Income</b>		<b>1,311.78</b>	<b>1,762.99</b>
<b>Profit attributable to:</b>			
Owners of the Company		1,289.07	1,756.24
Non Controlling Interests		-	-
Other Comprehensive Income attributable to-			
Owners of the Company		22.72	6.75
Non Controlling Interests		-	-
Total Comprehensive Income attributable to-			
Owners of the Company		1,311.78	1,762.99
Non Controlling Interests		-	-
Earning Per Equity Share of Face Value of ₹5 each	34		
Basic (in ₹)		9.59	13.06
Diluted (in ₹)		9.59	13.06
Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.	1-54		

As per our attached report of even date      On behalf of the Board of Directors

**For M/s Kastury & Talati**  
Chartered Accountants  
FRN - 104908W

**Sameer V. Shah**  
Chairman & Managing Director  
DIN: 00105721

**Jayesh Shah**  
Independent Director  
DIN: 00138346

**Jaywant Tawade**  
Executive Director  
DIN: 08231696

**Dhiren P. Talati**  
Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

**Rashmi S. Gavli**  
Chief Financial Officer  
Navi Mumbai, 15th May 2026

**Suchita Singh**  
Company Secretary

**Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2026**

**(a) Equity share capital**

	No. of Shares	(₹In lakhs)
<b>Balance as at 31 March 2024</b>	<b>1,34,48,288</b>	<b>672.41</b>
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	-	-
<b>Balance as at 31 March 2025</b>	<b>1,34,48,288</b>	<b>672.41</b>
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	-	-
<b>Balance as at 31 March 2026</b>	<b>1,34,48,288</b>	<b>672.41</b>

**(b) Other Equity**

(₹In lakhs)

Particulars	Reserves and Surplus					Items of other Comprehensive Income	
	General Reserve	Share Premium	Capital Reserve	Retained earnings	ESOP Reserve	Remeasurements of the net defined benefit Plans	Total other equity
<b>Balance as at 31st March 2024</b>	<b>233.55</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>10,452.86</b>	-	<b>20.39</b>	<b>13,651.82</b>
Profit for the year	-	-	-	1,756.24	-	6.75	1,762.99
Other comprehensive income for the year	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>233.55</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>12,209.10</b>	-	<b>27.15</b>	<b>15,414.82</b>
Dividend Paid	-	-	-	(470.69)	-	-	(470.69)
<b>Balance as at 31st March 2025</b>	<b>233.55</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>11,738.41</b>	-	<b>27.15</b>	<b>14,944.13</b>
Profit for the year	-	-	-	1,289.07	1.13	-	1,290.20
Other comprehensive income for the year	-	-	-	-	-	22.72	22.72
<b>Total comprehensive income for the year</b>	<b>233.55</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>13,027.48</b>	<b>1.13</b>	<b>49.87</b>	<b>16,257.04</b>
Dividend Paid	-	-	-	(235.35)	-	-	(235.35)
<b>Balance as at 31st March 2026</b>	<b>233.55</b>	<b>1,488.11</b>	<b>1,456.91</b>	<b>12,792.13</b>	<b>1.13</b>	<b>49.87</b>	<b>16,021.70</b>

As per our attached report of even date On behalf of the Board of Directors

**For M/s Kastury & Talati**

Chartered Accountants  
FRN - 104908W

**Sameer V. Shah**

Chairman & Managing Director  
DIN: 00105721

**Jayesh Shah**

Independent Director  
DIN: 00138346

**Jaywant Tawade**

Executive Director  
DIN: 08231696

**Dhiren P. Talati**

Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

**Rashmi S. Gavli**

Chief Financial Officer  
Navi Mumbai, 15th May 2026

**Suchita Singh**

Company Secretary

## Consolidated Cash Flow Statement

(₹ in lakhs except otherwise stated)

Particulars	2025-2026	2024-2025
<b>A Cash Flow from Operating Activities</b>		
Profit before tax	1,551.38	1,946.10
Adjustments for :		
Depreciation and amortisation	354.32	264.86
Loss on Sale of Property, plant & equipments	53.98	4.16
Finance Cost	36.69	63.79
Foreign Exchange Fluctuation Loss	33.11	-
	478.11	332.81
Less :		
Foreign Exchange Fluctuation Gain	-	3.68
Net Gain on sale of Investments	376.00	77.43
Fair valuation of Investments (Net)	(335.44)	504.50
ECL Reversal	24.26	20.13
Interest Income on FDR's and others	173.83	79.78
Gain on Insurance claim due to fire	-	195.91
Dividend Income	9.63	8.59
	(248.28)	(890.03)
<b>Operating Profit before working capital changes</b>	<b>1,781.20</b>	<b>1,388.88</b>
Adjustments for :		
Trade and Other Receivables	(721.91)	680.34
Inventories	(359.02)	(58.59)
Trade and Other Payables	539.42	161.26
	(541.52)	783.01
Cash generated from operations	<b>1,239.68</b>	<b>2,171.89</b>
Income taxes paid (Net of Refund)	239.47	(224.00)
<b>Net Cash from Operating Activities (A)</b>	<b>1,479.15</b>	<b>1,947.89</b>
<b>B Cash Flow from Investing Activities</b>		
Payment to acquire Property, plant & equipments	(2106.48)	(437.11)
Proceeds from Sale of Property, plant & equipments	101.28	39.94
Purchase of Investments	(700.00)	(1153.78)
Sale of Investments	1503.60	497.53
Dividend Received	9.63	8.59
Interest from fixed deposits and loans at effective interest rate	173.83	79.78
Gain on Insurance claim due to fire	-	195.91
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,018.13)</b>	<b>(769.13)</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) of Short Term Borrowings	151.07	(403.67)
Dividend paid	(235.35)	(470.69)
Finance Cost	(36.69)	(63.79)
<b>Net Cash from Financing Activities (C)</b>	<b>(120.95)</b>	<b>(938.16)</b>
<b>Net (Decrease)/Increase in Cash &amp; Cash Activities (A+B+C)</b>	<b>340.06</b>	<b>240.61</b>
Cash and Cash Equivalents at the beginning of the year	600.72	360.11
Cash and Cash Equivalents as on Closing	<b>940.78</b>	<b>600.72</b>

## Consolidated Cash Flow Statement

### Components of Cash & Cash Equivalents:

(₹ in lakhs except otherwise stated)

Particulars	As at 31st March 2026	As at 31st March 2025
<b>1) Cash &amp; Cash Equivalents:</b>		
Cash on hand	0.95	1.09
Balances with banks:		
- in current accounts and short term FD's	939.83	599.63
<b>Total</b>	<b>940.78</b>	<b>600.72</b>

2 The above cashflow statement has been prepared under the indirect method as set out in the IND-AS 7 on the statement of cashflow as notified under Companies Act 2013

Material Accounting Policies, key accounting estimates and judgements and notes on financial statements. 1-54

### As per our attached report of even date On behalf of the Board of Directors

**For M/s Kastury & Talati**  
Chartered Accountants  
FRN - 104908W

**Sameer V. Shah**  
Chairman & Managing Director  
DIN: 00105721

**Jayesh Shah**  
Independent Director  
DIN: 00138346

**Jaywant Tawade**  
Executive Director  
DIN: 08231696

**Dhiren P. Talati**  
Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

**Rashmi S. Gavli**  
Chief Financial Officer  
Navi Mumbai, 15th May 2026

**Suchita Singh**  
Company Secretary

## Notes to the Consolidated Financial Statements For the year ended March 31, 2026

### COMPANY INFORMATION

Chembond Material Technologies Limited (the Company) (formerly known as Chembond Chemicals Limited) is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Registered office of the Company is situated at Chembond Centre, EL-71, MIDC Mahape, Navi Mumbai -400710, Maharashtra.

These consolidated financial statements comprise financial statement of the Company and its subsidiary, (collectively called the 'Group').

The Group is engaged in the manufacture of Specialty Chemicals, Vitamins & Minerals, Probiotic and Prebiotic Enzymes, as well as Feed Additives and Nutrition products related to Animal Health.

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

##### 1.1 Basis of preparation of consolidated financial statements and presentation

The consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest Lakhs, except when otherwise indicated.

### Basis of consolidation

Subsidiary is the entity over which the Company has control. Control exist when the company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its Subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of Subsidiary has been changed wherever necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of Subsidiary are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The consolidated financial statements are prepared on the basis of parents standalone financial statements and the following subsidiary

Sr.No	Name of Group Companies.	Country of Incorporation	Proportion of ownership interest either directly or through subsidiary
	<b>Direct Subsidiary</b>		
1.	Chembond Biosciences Limited (CBL)	India	100%

#### 1.2 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 Group 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 capitalized only when it is probable that future economic benefits associated with these will flow to the Group 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 Group 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

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

### c) Capital Work in Progress & Capital Advances

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.

### d) Depreciation and Amortisation

Depreciation on PPE (other than free hold and lease hold land) has been provided based on useful life of the assets in accordance with Schedule II of the Companies Act, 2013, on Straight Line Method. Freehold land is not depreciated. Leasehold land and leasehold improvements are amortized over the primary period of lease.

Depreciation methods, useful lives and residual value are reviewed at each reporting date and adjusted prospectively, if appropriate.

Depreciation on Fixed Assets in case of Subsidiary Company Chembond Biosciences Limited (CBL) is provided on the straight line method at the rates and in the manner specified in part C of Schedule II of the Companies Act, 2013.

### e) 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 Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group.

- 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 Group collects goods and service tax on behalf of the government and therefore it is not an economic benefit flowing to the Group. Hence it is excluded from the revenue.

- iii. Interest income is recognised using effective interest method on time proportion basis taking in to account the amount outstanding.
- iv. Dividend income from investment is recognised when the Company's right to receive is established by the reporting date, which is generally when shareholders approve the dividend.

### f) Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

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. 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 finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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 Group 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 Group recognises the lease payments associated with these leases as an expense on a straight-line 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 Group 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 Group 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 Group net investment outstanding in respect of the leases

### g) 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.

## h) Impairment of Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if event or changes are indicative in circumstances indicate that they might be impaired. Assets that have a definite useful life are tested for impairment whenever events or changes in circumstances that indicate that the carrying amount may not be recoverable. Management periodically assesses using external and internal sources, whether there is an indication that an asset may be impaired. An Impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## i) 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.

### a. Financial assets

#### Classification

The Group 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 Group 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.

#### Equity instruments

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

#### De-recognition

A financial asset derecognized only when:

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

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- (a) the Group has transferred substantially all the risks and rewards of the asset, or
- (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

### Impairment of financial assets

In accordance with Ind-AS 109, the Group 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 Group 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.

### b. 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 Group'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 Group 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.

### C. 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 Group formally designates and documents the hedge relationship to which the Group wishes to apply

hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group'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.

### J) Fair Value Measurement

The Group'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 Group.

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 Group 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 consolidated 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 consolidated financial statements on a recurring basis, the Group 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 Group 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.

### k) Foreign Currency Transactions and Translation:

Transactions in foreign currencies entered into by the Group 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.

### l) Trade Receivables

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

## m) Trade Payables

These amounts represent liabilities for goods and services provided to the Group 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.

## n) Income Taxes

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

The company recognizes the current tax expense in its profit and loss statement based on the higher of the two calculations below.

If the tax paid as per MAT exceeds the tax liability under normal provisions, the excess (MAT credit) is recognized as an asset (MAT Credit Entitlement) if there is probability that the company will be able to realize this credit in future years when normal tax exceeds MAT.

The MAT credit can be carried forward for up to 15 assessment years and set off against future tax liabilities arising under normal provisions

### Deferred tax:

Deferred Income Tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and their carrying amount,

except when the deferred income tax arises from the initial recognition of an assets or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settles its current tax assets and liabilities on a net basis.

## o) 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 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.

## p) Employee Benefits

### • 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 Group 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 Group 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 Group 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 Group makes specified monthly contributions towards Employee Provident Fund scheme in accordance with the statutory provisions

#### Gratuity scheme

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

#### Pension Scheme:

The Group 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 Group 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 Group does not allow encashment of leave Balance.

- q) **Research and Development**

Revenue expenditure on Research and Development is charged to Profit and Loss Account as incurred. Capital expenditure on assets acquired for Research and Development is added to PPE and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

- r) **Borrowing Cost**

Borrowing costs, that are, attributable to the acquisition, construction or production of qualifying are capitalized as part of the costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

- s) **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.

### t) Current / Non-Current Classification:

The Group presents assets and liabilities in the balance sheet based on current/non-current classification as per IND AS 1

An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle.
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all their liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group

has identified twelve months as its normal operating cycle.

### u) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (a) the Group has a present obligation as a result of a past event;
- (b) a probable outflow of resources is expected to settle the obligation; and
- (c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of

- (a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- (b) a present obligation when no reliable estimate is possible; and
- (c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognised, nor disclosed.

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

### v) Dividend

The Group 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 Group. 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.

### w) Segment Reporting

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 consolidated 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. Provisions - 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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time.

During the year, MCA notified amendments to Ind AS 21- The Effect of Changes in Foreign Exchange Rates, Ind AS-1 Presentation of Financial statements, Ind AS 7- Statement of Cash Flow and Ind AS 107- Financial Instruments: Disclosures, applicable from 1st April 2025.

The Company has evaluated the aforesaid amendments and concluded that the same do not have any material impact on its financial statements.

## 2. Property, Plant and Equipment, Intangibles and Capital work in progress as at 31st March 2026

(₹ In lakhs)

Description	Gross Block (At Cost)			Depreciation for the year			Net Block			
	As at 1.04.2025	Additions	Disposal Transfer & Adjustments	As at 31.03.2026	As at 1.04.2025	Additions	Disposal Transfer & Adjustments	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
<b>Property, plant and equipment*</b>										
<b>Tangible Asset</b>										
Leasehold Land	65.33	-	-	65.33	7.14	0.99	-	8.13	57.19	58.18
Freehold Land	68.77	-	-	68.77	-	-	-	-	68.77	68.77
Buildings	1,744.45	590.32	-	2,334.77	328.87	73.78	-	402.65	1,932.12	1,415.58
Plant & Machinery*	2,226.76	570.29	263.16	2,533.88	976.26	180.35	113.21	1,043.41	1,490.47	1,250.50
Computers Hardware	142.83	24.26	-	167.10	121.03	13.57	2.86	131.74	35.36	21.80
Furniture & Fixtures	170.17	29.64	-	199.81	108.67	14.63	(0.38)	123.69	76.12	61.50
Motor Cars	60.35	17.93	-	78.28	57.34	2.05	-	59.39	18.89	3.02
Electrical Installations & Equipment	619.02	67.30	142.83	543.48	172.89	59.46	25.99	206.36	337.12	446.13
<b>Sub- total</b>	<b>5,097.69</b>	<b>1,299.73</b>	<b>406.00</b>	<b>5,991.41</b>	<b>1,772.20</b>	<b>344.84</b>	<b>141.68</b>	<b>1,975.36</b>	<b>4,016.05</b>	<b>3,325.49</b>
<b>Intangible Assets</b>										
Technical Know How	3.47	-	-	3.47	2.86	0.18	-	3.03	0.44	0.61
Computer Software	55.43	42.78	8.61	89.60	27.22	9.31	(3.03)	39.56	50.03	28.21
<b>Sub- total</b>	<b>58.90</b>	<b>42.78</b>	<b>8.61</b>	<b>93.07</b>	<b>30.08</b>	<b>9.48</b>	<b>(3.03)</b>	<b>42.59</b>	<b>50.47</b>	<b>28.82</b>
<b>Total</b>	<b>5,156.59</b>	<b>1,342.50</b>	<b>414.60</b>	<b>6,084.48</b>	<b>1,802.29</b>	<b>354.32</b>	<b>138.65</b>	<b>2,017.96</b>	<b>4,066.52</b>	<b>3,354.31</b>
<b>Capital Work in Progress</b>	<b>750.56</b>	<b>204.36</b>	<b>749.66</b>	<b>205.26</b>	-	-	-	-	<b>205.26</b>	<b>750.56</b>
<b>Total</b>	<b>5,907.15</b>	<b>1,546.86</b>	<b>1,164.26</b>	<b>6,289.73</b>	<b>1,802.29</b>	<b>354.32</b>	<b>138.65</b>	<b>2,017.96</b>	<b>4,271.78</b>	<b>4,104.87</b>

\*Pursuant to the composite scheme of arrangement, the company is in the process of transferring the title deeds and lease agreements of the Property, Plants & Equipments in the name of CMTL.

\*During the year the group has done capex of ₹89.54 Lakhs in Research & Development activities.

## Property, Plant and Equipment, Intangibles and Capital work in progress as at 31st March 2025

(₹ In lakhs)

Description	Gross Block (At Cost)			Depreciation for the year			Net Block			
	As at 1.04.2024	Additions	Disposal Transfer & Adjustments	As at 31.03.2025	As at 1.04.2024	Additions	Disposal, Transfer & Adjustments	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
<b>Property, plant and equipment*</b>										
<b>Tangible Asset</b>										
Leasehold Land	65.33	-	-	65.33	6.17	0.97	-	7.14	58.18	59.16
Freehold Land	68.77	-	-	68.77	-	-	-	-	68.77	68.77
Buildings	1,462.62	281.83	-	1,744.45	283.58	45.29	-	328.87	1,415.58	1,179.04
Plant & Machinery*	1,794.13	460.40	27.77	2,226.76	846.69	143.09	13.52	976.26	1,250.50	947.44
Computers Hardware	135.17	13.52	5.86	142.83	115.33	10.50	4.80	121.03	21.80	19.85
Furniture & Fixtures	160.25	10.00	0.08	170.17	98.32	10.42	0.07	108.67	61.50	61.93
Motor Cars	60.35	-	-	60.35	57.34	-	-	57.34	3.02	3.02
Electrical Installations & Equipment	342.25	276.77	-	619.02	124.94	47.94	-	172.89	446.13	217.31
<b>Sub- total</b>	<b>4,088.88</b>	<b>1,042.52</b>	<b>33.71</b>	<b>5,097.69</b>	<b>1,532.38</b>	<b>258.22</b>	<b>18.39</b>	<b>1,772.20</b>	<b>3,325.49</b>	<b>2,556.50</b>
<b>Intangible Assets</b>										
Technical Know How	3.47	-	-	3.47	2.68	0.18	-	2.86	0.61	0.79
Computer Software	69.34	-	13.91	55.43	33.42	6.46	12.65	27.22	28.21	35.92
<b>Sub- total</b>	<b>72.81</b>	<b>-</b>	<b>13.91</b>	<b>58.90</b>	<b>36.10</b>	<b>6.64</b>	<b>12.65</b>	<b>30.08</b>	<b>28.82</b>	<b>36.71</b>
<b>Total</b>	<b>4,161.69</b>	<b>1,042.52</b>	<b>47.62</b>	<b>5,156.59</b>	<b>1,568.47</b>	<b>264.86</b>	<b>31.04</b>	<b>1,802.29</b>	<b>3,354.31</b>	<b>2,593.21</b>
<b>Capital Work in Progress</b>	<b>1,334.38</b>	<b>259.76</b>	<b>843.58</b>	<b>750.56</b>	-	-	-	-	<b>750.56</b>	<b>1,334.38</b>
<b>Total</b>	<b>5,496.07</b>	<b>1,302.28</b>	<b>891.20</b>	<b>5,907.15</b>	<b>1,568.47</b>	<b>264.86</b>	<b>31.04</b>	<b>1,802.29</b>	<b>4,104.87</b>	<b>3,927.59</b>

\*Pursuant to the composite scheme of arrangement, the company is in the process of transferring the title deeds and lease agreements of the Property, Plants & Equipments in the name of CMTL.

\*During the year the group has done capex of ₹38.96 Lakhs in Research & Development activities.

<b>3 Financial Assets (Non-Current)</b>	<b>As at 31/03/2026</b> (₹ In lakhs)	<b>As at 31/03/2025</b> (₹ In lakhs)
<b>Investments</b>		
<b>Investments in Equity shares carried at fair value through Profit and Loss "Unquoted"</b>		
2,848 (2,848) Equity Shares of Tarapur Environment Protection Organisation Ltd. of ₹100/- each fully paid up.	3.73	3.75
<b>Investment in Secured Bonds carried at amortised cost</b>		
500 (PY-500) Secured Non-Convertible Redeemable REC Capital Gains Tax Exemption Bonds.	50.00	50.00
<b>Investments in Equity Shares carried at fair value through Profit and Loss "Quoted"</b>		
22,505 (PY-22,505) Equity Shares of Hindustan Petroleum Corporation Ltd. of ₹10/- each fully paid up.	75.48	81.81
18,228 (PY-9,114) Equity Shares of HDFC Limited of ₹2/- each fully paid up	133.35	166.62
3,700 (PY-3,700) Equity Shares Tata Consultancy Services Limited of ₹1/- each fully paid up	87.28	133.43
<b>Investments in Mutual fund carried at fair value through Profit and Loss (Quoted)</b>		
7,99,741.40 (PY-7,99,741.40) Units of SBI Magnum Gilt Fund-Long Term Reg (G)	529.15	522.46
38,58,187.14 (PY-38,58,187.14) Units of ICICI Prudential Gilt Fund (G)	3,992.09	3,889.15
89,600.40 (PY- 89,600.40) - Units of Kotak Gilt Investment	83.64	85.74
<b>Total</b>	<b>4,954.72</b>	<b>4,932.96</b>
Aggregate amount of Quoted Investments and market value there of	4,900.99	4,879.21
Aggregate amount of Unquoted Investments	53.73	53.75
Aggregate amount of impairment in the value of investments	-	-
<b>4 Other Non- Current Financial Assets (Unsecured &amp; considered good)</b>		
Bank Deposits with more than 12 months maturity	72.46	220.07
Other Deposits	17.61	16.62
<b>Total</b>	<b>90.07</b>	<b>236.70</b>
<b>5 Deferred Tax Assets (Net)</b>		
<b>Deferred tax Asset</b>		
Gratuity	19.56	7.85
MAT Credit	845.21	966.26
Other deductible temporary differences	28.71	40.95
Provision for Expected credit loss	85.91	96.29
<b>A</b>	<b>979.40</b>	<b>1,111.35</b>

<b>Deferred tax Liability</b>	<b>As at 31/03/2026</b> (₹ In lakhs)	<b>As at 31/03/2025</b> (₹ In lakhs)
Written down value of Property Plant & Equipment	(257.21)	(279.08)
Investments at Fair Value	(297.23)	(529.55)
<b>B</b>	<b>(554.44)</b>	<b>(808.63)</b>
Net Deferred Tax Asset		
<b>Total (A+B)</b>	<b>424.96</b>	<b>302.73</b>
<b>6 Income Tax Asset (net)</b>		
Advance Income Tax (Net of Provision)	18.66	464.18
<b>Total</b>	<b>18.66</b>	<b>464.18</b>
<b>7 Other Non-current Assets</b>		
Other Advances	0.20	2.35
Prepaid expenses	1.92	0.02
Gratuity	-	1.32
<b>Total</b>	<b>2.12</b>	<b>3.69</b>
<b>8 Inventories</b> (At lower of Cost or Net Realisable Value)		
Raw Materials	1,077.66	743.21
Packing Materials	157.50	97.84
Finished Goods	543.55	580.38
Stock-in-Trade	0.16	-
Work in Progress	201.88	200.29
<b>Total</b>	<b>1,980.75</b>	<b>1,621.73</b>
Finished Goods Includes stock in transit amounting to ₹ 0.27 lakhs as at 31.03.2026 (₹ 120.44 lakhs as at 31.03.2025)		
<b>9 Investments (Current)</b>		
<b>Investments in Mutual Funds carried at fair value through Profit and Loss</b>		
4,11,871.33 (PY-11,63,837.16 ) Units of Axis Blue Chip Fund	221.50	666.06
2,16,472.59 (PY-3,94,983.03) Units of Mirae Asset India Equity Fund	215.77	413.28
21,859.47 (PY- 21,859.47) Units of ICICI Prudential Saving Fund	124.38	116.40
8,77,805.57 (PY-8,77,805.57) Units of Kotak Gilt Investment Fund	819.41	840.00
49,838.61 (PY-49,838.61) Units of ICICI Prudential Equity & Debt Fund	186.92	183.75
Nil (PY-20,843.16) Units of HDFC Balanced Advantage Fund	-	102.20
180,925.86 (PY- 4,86,328.09) HDFC Short Term Debt Fund - REG (G)	60.09	152.27
6,640.70 (PY-8530.68) Units of Kotak Money Market Fund	311.84	375.86
45,271.19 (PY-Nil) Units of ICICI Pru Large Cap Equity Fund	45.21	-
3,709.27 (PY- Nil) Units of ICICI Prudential Multi Asset Fund	28.07	-
842.90 (PY- Nil) HDFC Money Market Fund	50.37	-
<b>Total</b>	<b>2,063.57</b>	<b>2,849.82</b>
Aggregate amount of Quoted Investments and Market Value thereof	2,063.57	2,849.82
Aggregate amount of impairment in the value of investments	-	-

<b>10 Trade Receivables</b>	<b>As at 31/03/2026</b> (₹ In lakhs)	<b>As at 31/03/2025</b> (₹ In lakhs)
<b>(a) Trade receivables considered good - Secured</b>	-	-
<b>(b) Trade receivables considered good - Unsecured</b>		
(i) Considered Good	5,292.09	3,991.71
(ii) Credit Impaired	317.87	342.13
<b>Total</b>	<b>5,609.96</b>	<b>4,333.84</b>
<b>(c) Trade Receivables which have significant increase in Credit Risk</b>		
Less - Impairment Loss allowance (Refer note iii below)	(317.87)	(342.13)
<b>Total</b>	<b>5,292.09</b>	<b>3,991.71</b>
i For Related party transactions (Refer Note 40)		
ii Trade Receivables Ageing Schedule (Refer Note 46)		
iii <b>Movement in Credit Impaired</b>		
<b>Provision at the beginning of the year</b>	342.13	350.41
Add: Provision during the year		
Less: Reversal during the year	(24.26)	(8.28)
Provision at the year end	<b>317.87</b>	<b>342.13</b>
<b>Total</b>	<b>317.87</b>	<b>342.13</b>
<b>11 Cash and Cash equivalents</b>		
<b>Balances with banks</b>		
In Current Accounts	932.42	559.54
Cash on hand	0.95	1.09
Balance Deposits with less than 3 months Maturity	7.41	40.09
<b>Total</b>	<b>940.78</b>	<b>600.72</b>
<b>12 Bank balances other than cash and cash equivalents</b>		
Margin money (Including bank deposits with more than 3 months maturity)	774.86	740.38
In Unpaid Dividend Accounts	18.05	19.14
<b>Total</b>	<b>792.91</b>	<b>759.52</b>
<b>13 Loans</b>		
(Unsecured & considered good)		
Loan and advance to Employees	-	0.25
<b>Total</b>	<b>-</b>	<b>0.25</b>
<b>14 Other Current Financial Assets</b>		
(Unsecured & considered good)		
Security Deposits	74.14	54.84
<b>Total</b>	<b>74.14</b>	<b>54.84</b>

15 Other Current Assets	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
Accrued Interest	0.67	-
Prepaid expenses	61.03	33.07
Advances for supply of goods and services	148.56	192.92
Balances with government authorities	5.30	6.01
Gratuity fund	-	3.46
Advance to employees	2.57	14.80
Other Advances (Incl Land at Kanagala)	817.35	-
<b>Total</b>	<b>1,035.48</b>	<b>250.27</b>
<b>16 Share Capital</b>		
<b>Authorised</b>		
2,72,00,000 (PY-2,72,00,000) Equity Shares of ₹5/- each	1,360.00	1,360.00
<b>Issued, Subscribed and Paid up</b>		
134,48,288 (PY 134,48,288) Equity Shares of ₹5/- each fully paid up	672.41	672.41
<b>Total</b>	<b>672.41</b>	<b>672.41</b>

16a Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:	As at 31/03/2026	As at 31/03/2025
	No. Of Shares	No. Of Shares
Number of shares outstanding at the beginning of the year	1,34,48,288	1,34,48,288
Additions during the year	-	-
Deductions during the year	-	-
Number of shares outstanding at the end of the year	-	-
<b>Total</b>	<b>1,34,48,288</b>	<b>1,34,48,288</b>

**16b Details of Shareholders holding more than 5% Shares**

Name of the Shareholder	% Held	As at 31/03/2026	% Held	As at 31/3/2025
		No. of Shares		No. of Shares
Nirmal Vinod Shah	0.00%	1,000	13.35%	1,795,190
Sameer Vinod Shah	27.36%	3,679,982	12.64%	1,700,144
Padma Vinod Shah	12.57%	1,691,100	12.57%	1,691,100
Visan Holdings Pvt. Ltd.	9.75%	1,310,630	9.75%	1,310,630

**16c Disclosure of shareholding of Promoters**

Disclosure of shareholding of promoters as at 31st March 2026 is as follows:

Shares held by promoter at the end of the year		No. of shares	% of Total shares	% Change during the year
Sr. No.	Promoter Name			
1	Nirmal Vinod Shah	1,000	0.0070%	(13.34%)
2	Sameer Vinod Shah	3,679,982	27.36%	14.72%
3	Padma Vinod Shah	1,691,100	12.57%	0.00%
4	Ashwin Ratilal Nagarwadia	500,000	3.72%	0.00%
5	Bhadresh Shah	188,934	1.40%	0.00%
<b>Total</b>		<b>6,061,016</b>	<b>45.06%</b>	<b>1.38%</b>

Disclosure of shareholding of promoters as at 31st March 2025 is as follows:

Shares held by promoter at the end of the year		No. of shares	% of Total shares	% Change during the year
Sr. No.	Promoter Name			
1	Nirmal Vinod Shah	1,795,190	13.35%	0.00%
2	Sameer Vinod Shah	1,700,144	12.64%	0.10%
3	Padma Vinod Shah	1,691,100	12.57%	0.00%
4	Ashwin Ratilal Nagarwadia	500,000	3.72%	0.00%
5	Bhadresh Shah	188,934	1.40%	0.00%
<b>Total</b>		<b>5,875,368</b>	<b>43.68%</b>	<b>0.10%</b>

**16 d Terms and rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of ₹5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the period of 5 years immediately preceding the balance sheet date, the company has neither issued or allotted any class of equity shares for consideration in cash, or by way of bonus issue or for any consideration other than cash, nor the company has bought back its own equity shares from its shareholders.

<b>17 Other Equity</b>	<b>As at 31/03/2026</b> (₹ In lakhs)	<b>As at 31/03/2025</b> (₹ In lakhs)
<b>a. Capital Reserve</b>		
As per last year	233.55	233.55
Add: Transfer from Profit & Loss A/c.	-	-
Less: Appropriation	-	-
<b>Total</b>	<b>233.55</b>	<b>233.55</b>
<b>b. General Reserve</b>		
As per last year	1,488.11	1,488.11
Add: Transfer from Profit & Loss A/c.	-	-
Less: Appropriation	-	-
<b>Total</b>	<b>1,488.11</b>	<b>1,488.11</b>
<b>c. Securities Premium</b>		
As per last year	1,456.91	1,456.91
Less: Appropriation	-	-
<b>Total</b>	<b>1,456.91</b>	<b>1,456.91</b>
<b>d. Retained Earnings</b>		
As per last year	11,738.41	10,452.86
Add: Profit for the Year	1,289.07	1,756.24
	13,027.48	12,209.10
Less: Appropriations		
Dividend Paid	(235.35)	(470.69)
<b>Total</b>	<b>12,792.13</b>	<b>11,738.41</b>
<b>e. Share Option Outstanding Reserve</b>		
ESOP Reserve	1.13	-
Less: Appropriation	-	-
<b>Total</b>	<b>1.13</b>	<b>-</b>
<b>f. Other Comprehensive Income (OCI)</b>		
Remeasurements of the net defined benefit Plans		
As per last year	27.15	20.39
Addition/ (Deduction) during the year	22.72	6.75
	<b>49.87</b>	<b>27.15</b>
<b>Total</b>	<b>16,021.70</b>	<b>14,944.13</b>

**Nature & Purpose:**

**a. Capital Reserve:**

The capital reserve represents the excess of net assets acquired over the consideration paid during business combinations such as amalgamations, mergers, or acquisitions. This reserve arises primarily from the cancellation of shares of the amalgamated or merged entities and is maintained to facilitate future corporate restructuring activities, including mergers, demergers, or other forms of business combinations.

**b. 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.

**c. Securities Premium :**

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act , 2013.

**d. Retained Earnings:**

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

**e. Share Option Outstanding Reserve**

The Company has a stock option scheme under which option to subscribe for the company's shares have been granted to certain executives and senior employees and key managerial personnel. The share option outstanding reserve is used to recognize the value of equity settled share based payments provided to employees, including certain key management personnel as a part of their remuneration.

**18 Provisions- Non Current**

**Provision for employee benefits :**

Provision for Gratuity

	<b>As at 31/03/2026</b> (₹ In lakhs)	<b>As at 31/03/2025</b> (₹ In lakhs)
	107.32	7.34
<b>Total</b>	<b>107.32</b>	<b>7.34</b>

**19 Current Borrowings**

**(Repayable on demand)**

Secured

Working Capital Loan from Banks

	415.70	264.63
<b>Total</b>	<b>415.70</b>	<b>264.63</b>

a Working Capital loan is secured by charge on Inventories, Trade Receivables & Bank Deposits.

**20 Trade Payables**

Total Outstanding Dues of Micro and Small Enterprises

Total Outstanding Dues of Creditors other than Micro and Small Enterprises

	668.58	365.09
	2,851.43	2,910.42
<b>Total</b>	<b>3,520.01</b>	<b>3,275.51</b>

a For Trade Payable Ageing Schedule Refer Note No 47

b For Related party transaction Refer Note No 40

c The Group has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at the year end. The disclosure pursuant to the said Act is as under:

	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
Principal amount due to suppliers under MSMED Act, 2006	668.58	365.09
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
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	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-
<b>21 Other Current Financial Liabilities</b>		
Unclaimed Dividend *	18.05	19.14
<b>Total</b>	<b>18.05</b>	<b>19.14</b>
* Not due for Deposit to Investor Education and Protection Fund		
<b>22 Other Current Liabilities</b>		
Statutory Dues	66.69	59.33
Employee benefits	760.95	720.43
Advance received from customer	201.80	188.32
<b>Total</b>	<b>1,029.45</b>	<b>968.08</b>
<b>23 Short-term Provisions</b>		
<b>Provision for employee benefits:</b>		
Provision for Gratuity	60.48	22.72
<b>Total</b>	<b>60.48</b>	<b>22.72</b>
<b>24 Current Tax Liabilities (Net)</b>		
<b>Provision for tax</b>		-
Provision for Current Tax (Net of Advance Tax)	96.90	-
<b>Total</b>	<b>96.90</b>	-

25 Revenue from Operations	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Sale of Goods (Refer Note 35)	24,931.07	19,885.82
Other Operating revenue	76.33	244.17
<b>Total</b>	<b>25,007.40</b>	<b>20,129.99</b>
<b>26 Other Income</b>		
Dividend from Equity Investments at FVTPL	9.63	8.59
Profit on sale of Investments at FVTPL	376.00	77.43
Interest at Effective Interest Rate	54.83	79.78
Interest on Income tax refund	140.14	-
Rent (Gross)	7.28	4.95
Profit on Sale of Property Plant & Equipment	0.60	-
Unrealised Gain/(Loss) on fair valuation of Investments at FVTPL	(335.44)	504.50
Credit Balances Written Back	13.91	19.76
Corporate Guarantee Fee	-	25.50
Other Gains	-	41.17
<b>Total</b>	<b>266.94</b>	<b>761.68</b>
<b>27 Cost of materials consumed</b>		
Raw Materials Consumed	13,439.80	10,578.79
Packing Materials Consumed	1,284.35	1,040.40
<b>Total</b>	<b>14,724.15</b>	<b>11,619.20</b>
<b>28 Changes in inventory of Finished goods &amp; Work in progress</b>		
(a) Finished goods/ Stock in Trade/ Work In Progress (At Close)	745.43	779.82
Finished goods	543.55	569.00
Work In Progress	201.88	210.82
(b) Finished goods/ Stock in Trade/ Work In Progress (At commencement)	779.82	768.98
Finished goods	569.00	587.50
Work In Progress	210.82	181.48
<b>Total</b>	<b>34.40</b>	<b>(10.85)</b>

## 29 Employee benefits expense

	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Directors' Remuneration	205.22	161.25
Salaries & Wages*	3,146.14	2,634.55
Employee ESOP compensation (Refer Note 36)	1.13	-
Contribution to Provident & other funds	246.47	171.92
Staff Welfare Expenses	146.46	111.84
<b>Total</b>	<b>3,745.42</b>	<b>3,079.55</b>

\*Company has incurred employment benefit expense of ₹211.20 Lakhs in the CY and ₹185.90 Lakhs in the PY on Research & Development activities.

For Related party transaction Refer Note 40

## 30 Finance Costs

(a) Interest Expense		
- Banks (CC Limits)	28.50	58.21
(b) Other borrowing costs		
Bank Guarantee fees & charges	8.19	5.58
<b>Total</b>	<b>36.69</b>	<b>63.79</b>

## 31 Depreciation and Amortisation expenses

Depreciation and Amortisation Expenses	354.32	264.86
<b>Total</b>	<b>354.32</b>	<b>264.86</b>

## 32 Other Expenses

### Manufacturing Expenses

Consumable stores	65.19	70.12
Power, Fuel & Water Charges	161.59	151.46
Research and Development	58.59	74.51
Laboratory Expenses	20.91	20.92
Repairs and Renewals to Plant & Machinery	95.02	68.71
Rent (Refer note c)	69.07	40.49
Labour Charges	603.27	501.44
Security Expenses	75.18	75.21
Factory Maintenance	111.48	60.77

**A 1,260.29 1,063.63**

### Administrative Expenses

Directors' Sitting Fees	16.28	14.85
Rates & Taxes	28.22	20.84
Electricity charges	25.01	29.45
Printing and stationary	13.63	9.96
Telephone & Postage Expenses	26.56	25.12
Insurance	86.58	51.13
Motor car expenses	130.67	98.66

	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Auditors Remuneration (Refer note a)	12.99	17.36
Legal, Professional & consultancy fees (Refer note a)	503.31	521.10
Repairs & Maintenance Buildings	4.02	3.39
Repairs & Maintenance Others	68.31	115.83
Miscellaneous expenses	156.28	87.16
Donation	0.18	0.47
Corporate Social responsibility Expenditure	21.55	18.60
Loss on Sale of PPE	54.58	4.16
Provision/(Reversal) for Expected credit loss on trade receivables	(24.26)	(20.13)
Input GST Reversed	0.09	1.21
Foreign Exchange Fluctuation Loss	33.11	13.74
Bad Debts Written Off	11.97	41.75
<b>B</b>	<b>1,169.07</b>	<b>1,054.63</b>
<b>Selling and Distribution Expenses</b>		
Carriage outwards		
Rent (Refer note c)	999.92	838.79
Commission on sales	0.24	0.24
Travelling Expenses	347.23	378.85
Conveyance expenses	347.90	269.39
Royalty Expenses	196.65	178.44
Advertising & Publicity Expenses	20.32	29.99
Warehousing Charges	10.33	8.20
Packing Expenses	12.40	11.79
Sales Promotion Expenses	42.51	21.37
	288.63	228.4
<b>C</b>	<b>2,266.14</b>	<b>1,965.49</b>
<b>Total (A+B+C)</b>	<b>4,695.50</b>	<b>4,083.75</b>
<b>a) Auditor's Remuneration consists of:</b>		
Statutory Audit Fees	12.99	17.35
Tax Audit Fees	3.57	-
Taxation and Other Matters	2.04	-
<b>Total</b>	<b>18.60</b>	<b>17.35</b>

**b Corporate Social Responsibility**

As per section 135 of the Companies Act 2013, a CSR committee has been formed by the Company. During the year funds were utilised for Promotion of Child Education & towards women empowerment and education which are specified in Schedule VII of the Companies Act, 2013.

- Gross amount required to be spent by the company during the year ₹ 21.55 lakhs. (Previous Year ₹18.60 lakhs)

- Amount spent during the year is ₹21.55 lakhs (Previous Year ₹18.60 lakhs)

Details of corporate social responsibility expenditure	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
a) Amount required to be spent by the company during the year	21.55	18.60
b) Amount of expenditure incurred		-
<b>(i) Construction / acquisition of any asset</b>		-
<b>(ii) On purpose other than (i) and above</b>	21.55	18.60
<b>c) Shortfall at the end of the year</b>		
d) Total of previous years shortfall	-	-
e) Reason for shortfall	-	-
f) Nature of CSR activities	Promotion of Child Education & towards women empowerment and education	Promotion of Child Education & towards women empowerment and education
g) Details of related party transactions	Refer Note 40	Refer Note 40
h) Where a provision is made with respect to a liability incurred by entering into a contractual the year shall be shown separately.		

**c Lease**

The Company normally acquires offices, warehouses and vehicles under non-cancellable operational leases. Minimum lease payments outstanding at year end in respect of these assets are as under:

Group as a Lessee	Total Minimum Lease Payment as on 31/03/2026 ₹In Lakhs	Total Minimum Lease Payment as on 31/03/2025 ₹In Lakhs
Due within one year	13.50	5.64
Due later than one year and not later than five years	89.13	85.15
Due later than five years	-	-
Lease receipts recognised in the Statement of Profit & Loss	69.31	20.35

**Group as a Lessor**

Group as a Lessor	Total Minimum Lease Payment as on 31/03/2026 ₹In Lakhs	Total Minimum Lease Payment as on 31/03/2025 ₹In Lakhs
Due within one year	2.73	-
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	7.28	4.95

<b>33 Exceptional Item</b>	<b>2025-2026</b> (₹ In lakhs)	<b>2024-2025</b> (₹ In lakhs)
Gain on Insurance Claim (Refer Note. 52)		154.74
Effect of Gratuity on account of implementation of new wage code (Refer Note. 52)	(132.48)	
<b>Total</b>	<b>(132.48)</b>	<b>154.74</b>
<b>34 Earnings Per Share</b>		
Net Profit available to Equity Shareholders (₹In Lakhs)	1,289.07	1,756.24
Total number of Equity Shares (Face value of ₹5/- each fully paid up)	13,448,288	13,448,288
Weighted No. of Equity Shares	13,448,288	13,448,288
Basic Earnings per Share (in Rupees)	9.59	13.06
Diluted No. of Equity Shares (Incl. Effect of ESOP granted which are dilutive)	13,449,923	13,448,288
Diluted Earnings per Share (in Rupees)	9.59	13.06
<b>35 Earnings In Foreign Exchange</b>		
Export of Goods on FOB Basis	401.64	330.45
<b>Total</b>	<b>401.64</b>	<b>330.45</b>

### 36 Share based payments

#### A. Description of share based payment arrangement Chembond ESOP 2025 Scheme

The Company at its 50th Annual General Meeting held on 14th August 2025, has approved Chembond Material Technologies Limited Employee Stock Option Plan 2025 ("Chembond ESOP 2025") for granting 400,000 stock options to certain eligible employees.

The plan is administered by Nomination and Remuneration committee of the Board ("the Committee") also known as Compensation Committee in compliance with the provision of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable provision of Companies Act 2013 for the time being in force. The option are granted to certain employees including certain key managerial personnel on vesting condition of time basis, company performance and individual performance as specified in the grant letter issued to each employee.

Scheme	Vesting Period	Exercise period	Year	Date of Grant	Number of options granted	Exercise price per equity shares* (in ₹)
Chembond ESOP 2025	The options granted shall vest after 1 year from the grant date.	An employee should exercise his/her right to apply for equity shares against the vested options within period of 5 Years from the date of vesting.	2025-26	13/01/2026	a. 23,688 b. 10,750	a. 164 b. 115

#### \* Method of Option Valuation/Exercise price

3 months average of daily opening and closing price of the equity shares of the company on the recognized stock exchange having highest trading volume on which the equity shares of the company are listed on the date immediately prior to the grant date subject to maximum discount of 30%.

### 37 Segment Reporting

The Group is engaged in the manufacture of Specialty Chemicals, Vitamins & Minerals, Probiotic and Prebiotic Enzymes, as well as Feed Additives and Nutrition products related to Animal Health. Under IND AS 108 – Operating Segments, specified in Section 133 of the Companies Act, 2013, these are recognized as the Group’s reportable business segments. Considering the nature of the Company’s business and based on the review of operating results by the Chief Operating Decision Maker (Board of Directors) for resource allocation and performance evaluation, the Group has identified two reportable business segments in accordance with the requirements of IND AS 108 – “Operating Segments.

Reportable Segment Information as on 31st March 2026

(₹In Lakhs)

Sr No	Particulars	Specialty Chemicals	Animal Health	Total
1	<b>Revenue</b>			
	External Sales	20,792.76	4,214.64	25,007.40
	<b>Total Revenue from Operations</b>	<b>20,792.76</b>	<b>4,214.64</b>	<b>25,007.40</b>
	<b>Results</b>			
	Segment Results before exceptional Item	883.53	570.09	1,453.61
	Add: Exceptional Item	(117.00)	(15.48)	(132.48)
	Segment Results after exceptional Item	766.53	554.60	1,321.13
	Unallocated Corporate Income	-	-	266.94
	Earnings before Interest	-	-	1,588.07
	Less: Finance expense	11.91	24.78	36.69
	<b>Profit before tax</b>	-	-	<b>1,551.38</b>
	<b>Taxes</b>	-	-	<b>262.31</b>
	Current Tax	-	-	392.58
	Deferred Tax	-	-	(130.27)
	<b>Profit after tax</b>			<b>1,289.07</b>
2	<b>Other Information</b>			
	Segment Assets	20,220.92	1,721.11	21,942.02
	Segment Liabilities	4,192.36	1,055.55	5,247.91
3	<b>Disclosure of Material Items</b>			
	Cost of Material Consumed	12,318.28	2,440.27	14,758.55
	Other Expense	4,074.53	620.98	4,695.50

Reportable Segment Information as on 31st March 2025

(₹In Lakhs)

Sr No	Particulars	Specialty Chemicals	Animal Health	Total
1	<b>Revenue</b>			
	External Sales	16,848.53	3,281.46	20,129.99
	<b>Total Revenue from Operations</b>	<b>16,848.53</b>	<b>3,281.46</b>	<b>20,129.99</b>
	<b>Results</b>			
	Segment Results before exceptional Item	1,013.48	79.99	1,093.47
	Add: Exceptional Item	154.74	-	154.74
	Segment Results after exceptional Item	1,168.22	79.99	1,248.21
	Unallocated Corporate Income	-	-	761.68
	Earnings before Interest	-	-	2,009.90
	Less: Finance expense	9.05	54.74	63.79
	<b>Profit before tax</b>	-	-	<b>1,946.10</b>
	<b>Taxes</b>	-	-	<b>189.86</b>
	Current Tax	-	-	328.09
	Deferred Tax	-	-	(138.23)
	<b>Profit after tax</b>			<b>1,756.24</b>
2	<b>Other Information</b>			
	Segment Assets	18,998.63	1,175.33	20,173.96
	Segment Liabilities	3,779.91	777.51	4,557.42
3	<b>Disclosure of Material Items</b>			
	Cost of Material Consumed	9,659.07	1,960.13	11,619.20
	Other Expense	3,446.04	639.01	4,085.04

## 38 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 2026		(₹ in Lakhs)						
Particulars	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents (Including other bank balances)	-	-	1,733.69	1,733.69	-	-	-	-
Investments								
- Mutual Funds	6,668.45	-	-	6,668.45	6,668.45	-	-	6,668.45
- Equity Shares (Quoted)	296.11	-	-	296.11	296.11	-	-	296.11
- Equity Shares (Unquoted)	-	-	3.73	3.73	-	-	3.73	3.73
- Secured Non Convertible Redeemable Bonds	-	-	50.00	50.00	-	-	-	-
Trade and other receivables	-	-	5,292.09	5,292.09	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other financial assets	-	-	164.21	164.21	-	-	-	-
<b>Total</b>	<b>6,964.56</b>	<b>-</b>	<b>7,243.72</b>	<b>14,208.28</b>	<b>6,964.56</b>	<b>-</b>	<b>3.73</b>	<b>6,968.29</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	415.70	415.70	-	-	-	-
Short term borrowings	-	-	3,520.01	3,520.01	-	-	-	-
Trade and other payables	-	-	18.05	18.05	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,953.76</b>	<b>3,953.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at 31 March 2025		(₹ in Lakhs)						
Particulars	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents (Including other bank balances)	-	-	1,360.24	1,360.24	-	-	-	-
Investments								
- Mutual Funds	7,347.18	-	-	7,347.18	7,347.18	-	-	7,347.18
- Equity Shares (Quoted)	381.86	-	-	381.86	381.86	-	-	381.86
- Equity Shares (Unquoted)	3.75	-	-	3.75	-	-	3.75	3.75
- Secured Non Convertible Redeemable Bonds	-	-	50.00	50.00	-	-	-	-
Trade and other receivables	-	-	3,991.71	3,991.71	-	-	-	-
Loans	-	-	0.25	0.25	-	-	-	-
Other financial assets	-	-	291.53	291.53	-	-	-	-
<b>TOTAL</b>	<b>7,732.78</b>	<b>-</b>	<b>5,743.73</b>	<b>13,476.51</b>	<b>7,729.03</b>	<b>-</b>	<b>3.75</b>	<b>7,732.78</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	-	-	-	-	-	-
Short term borrowings	-	-	264.63	264.63	-	-	-	-
Trade and other payables	-	-	3,275.51	3,275.51	-	-	-	-
Other financial liabilities	-	-	19.14	19.14	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3,559.28</b>	<b>3,559.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

**B. Measurement of fair values**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below:

Level 1: Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. e.g. unlisted equity securities.

**Transfers between Levels**

There are no transfers between the levels

**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 Risk Management 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 counter party 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.

### iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

(₹ in Lakhs)

Sr No	As at 31st March, 2026	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Borrowings	19	415.70	415.70	-
2	Trade payables	20	3,520.01	3,515.01	5.00
3	Other Financial Liability	21	18.05	18.05	-
<b>Total</b>			<b>3,953.76</b>	<b>3,948.76</b>	<b>-</b>

(₹ in Lakhs)

Sr No	As at 31st March, 2025	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Borrowings	19	264.63	264.63	-
2	Trade payables	20	3,275.51	3,231.02	44.49
3	Other Financial Liability	21	19.14	19.14	-
<b>Total</b>			<b>3,559.28</b>	<b>3,514.79</b>	<b>44.49</b>

### 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.

**Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

- a The Company has not entered into forward contracts to hedge the foreign currency risks arising from amounts designated in foreign currency.

- b Foreign Currency Exposures at the year end not hedged by derivative instruments:

(₹ In Lakhs)

Currency	Exposure to buy/sell	As at 31/03/2026		As at 31/03/2025	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars	Liability	1.29	122.26	1.06	88.45
CHF	Asset	-	-	0.03	3.14
Euro	Asset	-	-	0.01	0.87
US Dollars	Asset	0.36	34.35	0.32	34.24

**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.

**39 Employee Benefit obligations**

**(A) Defined Benefit Plan**

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

(₹ In Lakhs)

	As at 31 March 2026	As at 31 March 2025
<b>Funded Plan</b>		
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	503.92	450.24
Amount recognised in profit and loss	-	0.80
Current service cost	52.82	49.59
Interest cost	33.42	32.77
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:	(18.45)	(0.12)
Return on Plan Assets		
Financial assumptions	110.38	(6.85)
Experience adjustment		
Other		

(₹ In Lakhs)

	As at 31 March 2026	As at 31 March 2025
Benefits paid	(87.04)	(22.50)
Closing defined benefit obligation	<b>595.06</b>	<b>503.92</b>
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	477.31	433.17
Amount recognised in profit and loss	(9.63)	2.19
Interest income	31.01	31.55
Amount recognised in other comprehensive income	-	-
Actuarial gain / (loss)	-	-
Return on Plan Assets, Excluding Interest Income	(1.08)	(0.69)
Contributions by employer	10.57	30.58
Equitable fund transfer out	6.13	3.01
Benefits paid	(87.04)	(22.50)
Closing fair value of plan assets	<b>427.26</b>	<b>477.31</b>
Actual return on Plan Assets	29.93	30.86
<b>(iii) Plan assets comprise the following</b>		
	Unquoted	Unquoted
Insurance fund (100%)	427.26	477.33
<p>(The Group has this investments in Group Gratuity policy with LIC. The details of further investment by LIC is not available with the group)</p>		
<b>(iv) Principal actuarial assumptions used</b>	%	%
Discount rate	7.20	6.63
Withdrawal Rate	1.00	1.00
Future Salary Increase	5.00	5.00
<b>(v) Amount recognised in the Balance Sheet</b>		
Present value of obligations as at year end	595.06	503.92
Fair value of plan assets as at year end	427.26	477.34
Net (asset) / liability recognised as at year end	<b>167.80</b>	<b>26.58</b>
Recognised under :		
Short term provisions	60.48	7.34
Long term provisions	107.32	24.03
Other Non Current Assets	-	1.32
Other Current Assets	-	3.46
<b>Total</b>	<b>167.80</b>	<b>26.58</b>

**(vi) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at 31st March, 2026		As at 31st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(5.30)	6.10	(6.00)	6.90
Future salary growth (1% movement) - Gratuity	6.10	(5.40)	6.90	6.10

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

**(vi) Expected future cash flows**

The expected maturity analysis is as follows :	(₹ In Lakhs)	
	For year ended 31.03.2026	For year ended 31.03.2025
Expected benefits for year 1	195.82	72.78
Expected benefits for year 2	22.18	17.30
Expected benefits for year 3	32.10	10.13
Expected benefits for year 4	30.16	25.66
Expected benefits for year 5	66.41	9.79
Expected benefits for year 6 and above	179.94	97.84

**40 Related Party Disclosure.**

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. Subsidiary Company:**

Chembond Biosciences Limited

**ii. Key Management Personnel and their relatives (KMP)**

**Key Management Personnel:**

Sameer V. Shah, Nirmal V. Shah, Jaywant K. Tawade, Rashmi S. Gavli, Suchita H. Singh

**Relatives :**

Sameer V. Shah HUF, Shilpa Shah, Padma Shah, Raunaq Shah, Mallika Shah, Navaneeth Venkateshwara, Amrita Shah, Shashank Alpana Shah, Jyoti Mehta, Nirmal V. Shah HUF, Mamta Shah, Rahil Shah, Kshitija Shah, Sameer L. Gavli, Rati M. Tipnis, Nupur S. Gavli, Tushar M. Tipnis, Yogita Tipnis, Hemant Singh, Ranganath Shastri, Mohan Sharma, Premlata Shastri, Shreeya Singh, Krishna Singh, Bhadresh Shah.

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

CCL Opto Electronics Pvt Ltd., Finor Piplaj Chemicals Ltd., S and N Ventures Private Ltd., Visan Holdings Pvt Ltd and ., Visan Trust, Chembond Water Technologies Ltd. Chembond Distribution Ltd, CCL Products LLC, Chembond Chemicals Ltd. (Formerly Known as Chembond Chemical Specialties Limited (CCSL))

(₹ In Lakhs)

For the year ended / as at	31.03.2026		31.03.2025	
Description of the nature of transactions	KMP, Relatives and entities where KMP are interested	Total	KMP, Relatives and entities where KMP are interested	Total
<b>A. Disclosure of transaction between the company and related party other than KMP.</b>				
<b>Sales of Goods</b>	<b>407.64</b>	<b>407.64</b>	<b>17.43</b>	<b>17.43</b>
Chembond Water Technologies Ltd	267.60	267.60	9.74	9.74
Chembond Chemicals Ltd	8.73	8.73	7.69	7.69
Chembond Distribution Ltd	14.13	14.13	-	-
Chembond Biosciences Ltd	117.18	117.18	-	-
<b>Purchase of Goods</b>	<b>237.39</b>	<b>237.39</b>	<b>84.93</b>	<b>84.93</b>
Chembond Water Technologies Ltd	15.56	15.56	1.76	1.76
Chembond Distribution Ltd	109.74	109.74	75.42	75.42
Chembond Biosciences Ltd	111.12	111.12	7.75	7.75
Chembond Chemicals Ltd	0.98	0.98	-	-
<b>Rent Income</b>	<b>7.28</b>	<b>7.28</b>	-	-
Chembond Distribution Ltd	7.28	7.28	-	-
<b>SubContract Income</b>	<b>104.18</b>	<b>104.18</b>	-	-
Chembond Biosciences Ltd	104.18	104.18	-	-
<b>SubContract Expenses</b>	<b>0.51</b>	<b>0.51</b>	-	-
Chembond Water Technologies Ltd	0.51	0.51	-	-
<b>Corporate Guarantee Fees (Income)</b>	-	-	<b>24.00</b>	<b>24.00</b>
Chembond Water Technologies Ltd	-	-	24.00	24.00
<b>Management Service Charges (Income)</b>	-	-	<b>200.00</b>	<b>200.00</b>
Chembond Water Technologies Ltd	-	-	200.00	200.00
<b>Rental Expenses</b>	<b>40.20</b>	<b>40.20</b>	<b>1.20</b>	<b>1.20</b>
Chembond Water Technologies Ltd	1.80	1.80	1.20	1.20
Chembond Chemicals Ltd	38.40	38.40	-	-
<b>Royalty</b>	<b>20.32</b>	<b>20.32</b>	<b>6.23</b>	<b>6.23</b>
S and N Ventures Pvt Ltd	20.32	20.32	6.23	6.23
<b>B. Disclosure of transactions with Key Managerial Personnel &amp; close family members of KMP.</b>				
Employment Benefits	442.53	442.53	330.99	330.99
Sitting Fees	9.60	9.60	20.80	20.80
Professional and consultancy charges	29.74	29.74	57.17	57.17
<b>Total Remuneration Paid to KMP's</b>	<b>481.87</b>	<b>481.87</b>	<b>408.96</b>	<b>408.96</b>

(₹ In Lakhs)

For the year ended / as at Description of the nature of transactions	31.03.2026		31.03.2025	
	KMP, Relatives and entities where KMP are interested	Total	KMP, Relatives and entities where KMP are interested	Total
<b>Balance at the end of the year</b>				
<b>A. Sundry Debtors</b>	-	-	<b>3.85</b>	<b>3.85</b>
Chembond Water Technologies Ltd	-	-	2.56	2.56
Chembond Chemicals Ltd	-	-	1.29	1.29
<b>B. Sundry Creditors</b>	<b>885.45</b>	<b>885.45</b>	<b>18.53</b>	<b>18.53</b>
Chembond Water Technologies Ltd	9.96	9.96	3.58	3.58
Chembond Chemicals Ltd	128.42	128.42	-	-
Chembond Distribution Ltd	4.46	4.46	3.38	3.38
Chembond Biosciences Ltd	742.60	742.60	-	-
CCL Products LLC	-	-	11.44	11.44
Finor Piplaj Chemicals Ltd.	-	-	0.13	0.13

#### 41 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2026, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

(Refer Note no. 44 for Debt/Equity ratio)

42 Tax Reconciliation	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Particulars		
(a) The income tax expense consists of the followings:		
Current Income Tax	392.58	328.09
Deferred Tax Expense	(130.27)	(138.23)
<b>Tax expense for the year</b>	<b>262.31</b>	<b>189.86</b>
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax Rate		
Profit before income tax expense	1,551.38	1,946.10
Indian statutory income tax rate (MAT)	27.82%	17.47%
Expected Income Tax expenses	431.59	340.02
<b>Part A</b>		

42 Tax Reconciliation	2025-2026 (₹ In lakhs)	2024-2025 (₹ In lakhs)
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Additional allowances/deduction	346.71	336.51
Short/Excess Provision of Tax of earlier years	66.45	-
Others	(20.58)	(8.41)
<b>Current Tax (A)</b>	<b>392.58</b>	<b>328.09</b>
<b>Part B</b>		
Deferred Tax rate		
Written Down Value Of Property Plant & Equipment	(21.86)	(170.31)
Investments at Fair Value	(232.32)	353.30
Other Deductible Temporary Differences	4.20	(32.42)
Gratuity	(11.71)	15.47
MAT Credit	121.05	(312.10)
Other Deferred tax Asset		
Provision for Expected Credit Loss	10.38	7.83
<b>Deferred Tax (B)</b>	<b>(130.27)</b>	<b>(138.23)</b>
<b>Tax Expense (A+B)</b>	<b>262.31</b>	<b>189.86</b>

### 43 Contingent Liabilities and Capital Commitments (To the extent not provided for) :

Particulars	As at 31/03/2026 (₹ In lakhs)	As at 31/03/2025 (₹ In lakhs)
<b>A) Contingent Liabilities not provided for :</b>		
<b>a) Claims against the company not acknowledged as debts -</b>		
i).Income Tax matters under Appeal	-	14.39
ii) TDS Default	-	6.21
iii) Income tax demands pending for rectification	15.17	412.13
iv) Service tax due as per final audit report and show cause notice	259.42	259.42
v) GST Demand on sale of Thane Plot- Dy Commissioner of State Tax	178.48	178.48
vi) Davendra Feeds India Private Limited has lodged. F.I.R dated 24th June, 2022 with police station Safidon District Jind Haryana against Chembond Chemicals Limited (now known as Chembond Material Technologies Limited), Mr Sameer Shah (Chairman & Managing Director) and 3 other current & ex-employees, with respect to damage caused by inferior quality of Products. The Company has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is being currently considered by the Competent Authorities and Courts.	-	-

vii) Rajkumar Mor of Mor Hatcheries has lodged. F.I.R dated 4th January, 2023 with police station Pillukhera, District Jind, Haryana against Chembond Biosciences Limited and Mr. Sameer Shah (Director), with respect to inferior quality of Products. Chembond Biosciences Limited has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is being currently considered by the Competent Authorities and Courts.

**b) Counter Guarantees given by Company for Bank Guarantees issued -**

i) Corporate Guarantee given to Bank of India by the Company on behalf - 2,550.00

(₹ In Lakhs)

**44 Ratios**

	2025-26	2024-25	Variance
<b>(a) Current Ratio</b>			
Current Assets(A)	12,179.72	10,128.85	
Current Liabilities(B)	5,140.59	4,550.08	
<b>Current Ratio( A/B)</b>	<b>2.37</b>	<b>2.23</b>	<b>6.43%</b>
<b>(b) Debt-Equity Ratio#</b>			
Total Borrowings(A)- Current + Non-current borrowings (A)	415.70	264.63	
Total Shareholders' Equity(B) - Total Equity (B)	16,694.12	15,616.54	
<b>Debt-Equity Ratio( A/B)</b>	<b>0.02</b>	<b>0.02</b>	<b>46.95%</b>
<b>(c) Debt Service Coverage Ratio #</b>			
Earnings for debt service= Net profit after taxes + Non- Cash operating expenses+Interest+ Other adjustments (A)	1,728.67	1,402.14	
Interest on Loan+Loan repayment in a year(B)	36.69	467.47	
<b>Debt Service Coverage Ratio( A/B)</b>	<b>47.12</b>	<b>3.00</b>	<b>1470.83%</b>
<b>(d) Return on Equity Ratio #</b>			
Net Profit(A)	1,289.07	1,756.24	
Shareholders Equity(B)	16,694.12	15,616.54	
<b>Return on Equity Ratio( A/B)</b>	<b>7.72%</b>	<b>11.25%</b>	<b>(31.34%)</b>

(₹ In Lakhs)

## 44 Ratios

	2025-26	2024-25	Variance
<b>(e) Inventory turnover ratio</b>			
"Raw-materials, components, finished goods and work in progress consumed (A)"	14,758.55	11,608.35	
Inventory(B)	1,980.75	1,621.73	
<b>Inventory turnover Ratio( A/B)</b>	<b>7.45</b>	<b>7.16</b>	<b>4.09%</b>
<b>(f) Trade receivables turnover ratio</b>			
Net sales(A)	24,931.07	19,885.82	
Accounts receivable(B)	5,292.09	3,991.71	
<b>Trade receivable turnover Ratio( A/B)</b>	<b>4.71</b>	<b>4.98</b>	<b>(5.44%)</b>
<b>(g) Trade Payables turnover ratio</b>			
Net Purchases(A)	14,758.55	11,608.35	
Trade payable(B)	3,520.01	3,275.51	
<b>Trade Payables turnover Ratio( A/B)</b>	<b>4.19</b>	<b>3.54</b>	<b>18.31%</b>
<b>(h) Net Capital turnover ratio</b>			
Net sales(A)	25,007.40	20,129.99	
Working capital (i.e. Total current assets - Total Current Liabilities) (B)	7,039.13	5,578.77	
<b>Net Capital turnover Ratio( A/B)</b>	<b>3.55</b>	<b>3.61</b>	<b>(1.54%)</b>
<b>(i) Net Profit ratio #</b>			
Net Profit(A)	1,289.07	1,756.24	
Net Sales(B)	25,007.40	20,129.99	
<b>Net Profit Ratio( A/B)</b>	<b>5.15%</b>	<b>8.72%</b>	<b>(40.92%)</b>
<b>(j) Return on Capital employed #</b>			
EBIT(A) - PBT+Finance Costs	1,588.07	2,009.90	
Shareholders Equity Fund	16,694.12	15,616.54	
<b>Return on Capital employed( A/B)</b>	<b>9.51%</b>	<b>12.87%</b>	<b>(26.09%)</b>
<b>(k) Return on Investment #</b>			
Income generated from investment funds (Dividend Income+ Realised and unrealised gain on investments) (A)	50.19	590.53	
Cost of Investments (B)	6,968.10	7,192.25	
<b>Return on Investment( A/B)</b>	<b>0.7%</b>	<b>8.2%</b>	<b>(91.23%)</b>

#b- Debt Equity ratio has changed on account of usage of working capital limits.

#c- Debt service coverage ratio improved on account of lower utilisation of working capital limits

#d, i, j, k - Return on equity, Net Profit ratio, Return on Capital employed & Return on Investments has dropped due to change in fair value of investments and rise in input cost.

**45 Financial information pursuant to Schedule III of Companies Act 2013**

(₹ In Lakhs)

Sr. No.	Name of the entity	Net Assets(Total assets minus total liabilities)		Share in Profit or loss		Share in Other comprehensive income		Share in total comprehensive income	
		31 <sup>st</sup> March 2026		31 <sup>st</sup> March 2026		31 <sup>st</sup> March 2026		31 <sup>st</sup> March 2026	
		As % of consolidated net assets	Amount (₹In Lakhs)	As % of consolidated profit or loss	Amount (₹In Lakhs)	As % of consolidated profit or loss	Amount (₹In Lakhs)	As % of consolidated profit or loss	Amount (₹In Lakhs)
<b>Parent</b>									
	Chembond Material Technologies Limited	102%	16,961.77	60.19%	775.89	86.18%	19.58	60.64%	795.47
<b>Indian Subsidiaries</b>									
1	Chembond Biosciences Limited	(0.47%)	(77.65)	39.81%	513.18	13.82%	3.14	39.36%	516.32
	<b>Consolidation adjustments/ Eliminations</b>	(1.14%)	(190.00)						
	<b>Total</b>	<b>100.00%</b>	<b>16,694.12</b>	<b>100.00%</b>	<b>1,289.07</b>	<b>100.00%</b>	<b>22.72</b>	<b>100.00%</b>	<b>1,311.79</b>

**NOTE : 46**

**Ageing Schedule for Trade receivables**

Ageing for trade receivables outstanding as on 31st March 2026 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years		
i) Undisputed trade receivables - considered good	3,029.59	2,223.37	39.13	-	-	-	5,292.09	
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	
iii) undisputed trade receivables - credit impaired	-	-	-	46.83	217.92	53.12	317.87	
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-	
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	
Less : Allowance for doubtful trade receivables	-	-	-	(46.83)	(217.92)	(53.12)	(317.87)	
<b>Total</b>	<b>3,029.59</b>	<b>2,223.37</b>	<b>39.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,292.09</b>	

Ageing for trade receivables outstanding as on 31st March 2025 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables - considered good	3,197.86	264.51	428.01	10.01	43.41	47.91	3,991.71
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) undisputed trade receivables - credit impaired	-	-	-	-	172.73	169.40	342.13
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less : Allowance for doubtful trade receivables	-	-	-	-	(172.73)	(169.40)	(342.13)
<b>Total</b>	<b>3,197.86</b>	<b>264.51</b>	<b>428.01</b>	<b>10.01</b>	<b>43.41</b>	<b>47.91</b>	<b>3,991.71</b>

#### 47 Ageing Schedule for Trade Payables

Ageing for trade Payables outstanding as on 31st March 2026 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years.	
I) MSME	668.58	-	-	-	-	668.58
II) Others	2,447.00	399.43	5.00	-	-	2,851.43
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>3,115.58</b>	<b>399.43</b>	<b>5.00</b>	<b>-</b>	<b>-</b>	<b>3,520.01</b>

Ageing for trade Payables outstanding as on 31st March 2025 is as follows :

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years.	
I) MSME	365.09	-	-	-	-	365.09
II) Others	2,066.15	799.78	10.52	17.98	16.00	2,910.42
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>2,431.24</b>	<b>799.78</b>	<b>10.52</b>	<b>17.98</b>	<b>16.00</b>	<b>3,275.51</b>

**48 Ageing Schedule for Capital Work in Progress**

Ageing for CWIP as on 31st March 2026 is as follows :

(₹ In Lakhs)

Particulars	Amount in CWIP for period of					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
i) Projects in progress	204.36	0.90	-	-	205.26	
ii) Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>204.36</b>	<b>0.90</b>	<b>-</b>	<b>-</b>	<b>205.26</b>	

Ageing for CWIP as on 31st March 2025 is as follows :

(₹ In Lakhs)

Particulars	Amount in CWIP for period of					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
i) Projects in progress	130.48	84.80	535.28	-	750.56	
ii) Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>130.48</b>	<b>84.80</b>	<b>535.28</b>	<b>-</b>	<b>750.56</b>	

**49 Additional regulatory information not disclosed elsewhere in the financial information**

- A** The Company and its subsidiary does 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 and its subsidiary does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, during the FY 25-26 & FY 24-25

- C** The Company and its subsidiary 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
- D** The Company and its subsidiary 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,
- E** The Company and its subsidiary have 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).
- F** The Company and its subsidiary have not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- G** The Company and its subsidiary have 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.
- H** 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.

### 50 Working Capital Facilities:-

#### Details of credit facilities from banks:

The Company and its subsidiary has sanctioned credit facilities from HDFC Bank of ₹ 572.50 lakhs and Bank of India of ₹. 500.00 Lakhs and utilised cash credit facilities at the year end to the tune of ₹ 415.70 Lakhs from Bank of India.

#### Terms of loan

The credit facility carries interest at mutually agreed rates,(interest payable on monthly rests).

The credit facility is secured by : Hypothecation of stocks and bookdebts, Factory land & building and fixed deposits

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.

### 51 Audit Trail

The Company uses accounting software, payroll application and employee reimbursement software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software/application. The software being managed on public cloud, users do not have access to enable, disable, deactivate or tamper with the audit trail setting.

The audit trail feature is not enabled at the database level for the accounting software.

The Company has preserved the audit trail in compliance with statutory record retention requirements.

**52 Exceptional Item:**

- a. Pursuant to the notification of the new Labour Codes effective from 21st November, 2025, the Company based on actuarial valuation has for the year ended 31st March, 2026, accounted for the impact of expenditure on account of Gratuity and the same is disclosed as an exceptional item.
- b. Exceptional item of Rs. 154.74 lakhs, accounted in FY 24-25 pertains to full and final settlement of insurance claim related to replacement value of Property Plant & Equipment that had damaged due to fire incident occurred at the Tarapur plant in the month of April 2022.

**53.** The company and its subsidiary have evaluated the option permitted under section 115BAA of the Income Tax Act, 1961 (the "Act") as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has presently decided to continue with the existing tax structure. However, the subsidiary has opted for new tax regime as permitted under section 115BAA of the Income Tax Act, 1961 (the "Act") as it is beneficial for the company.

**54.** The previous year figures have been regrouped, reallocated or reclassified wherever necessary to conform to current year classification and presentation.

As per our attached report of even **On behalf of the Board of Directors**  
date

**For M/s Kastury & Talati**

Chartered Accountants  
FRN - 104908W

**Sameer V. Shah**

Chairman & Managing Director  
DIN: 00105721

**Jayesh Shah**

Independent Director  
DIN: 00138346

**Jaywant Tawade**

Executive Director  
DIN: 08231696

**Dhiren P. Talati**

Partner  
Membership No. : F/41867  
Navi Mumbai, 15th May 2026

**Rashmi S. Gavli**

Chief Financial Officer  
Navi Mumbai, 15th May  
2026

**Suchita Singh**

Company Secretary

## NOTICE

**NOTICE** is hereby given that the Fifty-First (51<sup>st</sup>) Annual General Meeting (“AGM”) of the Members of Chembond Material Technologies Limited will be held on Friday, July 17, 2026, at 10.00 a.m. through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following business:

### ORDINARY BUSINESS

1. **To consider and adopt**
  - (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2026 together with the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2026 together with the report of the Auditors thereon.
2. **To declare final dividend on equity shares for the financial year ended March 31, 2026**
3. **To appoint a Director in place of Mr. Jaywant K. Tawade (DIN:08231696), who retires by rotation and being eligible, offers himself for re-appointment.**

Navi Mumbai  
May 15, 2026

**Registered Office:**  
Chembond Centre, EL-71,  
MIDC, Mahape,  
Navi Mumbai- 400 710  
Maharashtra, India.  
Tel: +91 22 6264 3000  
E-mail: [cs@chembond.in](mailto:cs@chembond.in)  
Website: [www.chembond.in](http://www.chembond.in)  
CIN: L24100MH1975PLC018235

### SPECIAL BUSINESS

#### 4. **To approve remuneration to Cost Auditor**

To consider and, if thought fit, to give ASSENT / DISSENT to the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“the Act”), M/s. Aatish & Associates, Cost & Management Accountants, Mumbai, (FRN: 006726/Membership No. 30105), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the FY ending March 31, 2027, be paid a remuneration of ₹1,35,000/- (Rupees One Lakh Thirty Five Thousand only), plus Goods and Services Tax and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.”

By Order of the Board of Directors  
of **Chembond Material Technologies Limited**  
(formerly Chembond Chemicals Limited)

sd/-  
**Suchita Singh**  
Company Secretary

### NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, May 5, 2022, December 28, 2022, September 25, 2023, September 19, 2024 and latest circular dated September 22, 2025 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (SEBI), vide its circulars dated May 12, 2020, January 15, 2021, January 5, 2023, October 7, 2023 and October 3, 2024 (“SEBI Circulars”) permitted to hold AGM through VC / OAVM, without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), MCA Circulars and SEBI Circulars, the 51<sup>st</sup> AGM is being held through VC / OAVM only. Hence Members can attend the AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. The Company has made arrangements through National Securities Depository Limited (“NSDL”), to provide VC / OAVM facility for the AGM and for conducting the e-AGM. The Members can join the e-AGM 15 minutes before the scheduled time of the AGM following the procedure mentioned in the Notice.

2. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business item No. 4 of the Notice, is annexed hereto.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies shall not be available for AGM and hence Proxy Form and Attendance Slip are not annexed to this Notice. Institutional / Corporate shareholders intending to depute their authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting are requested to send a certified copy of its Board Resolution / authorisation letter, authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution / authorisation should be sent by email to [cs@chembond.in](mailto:cs@chembond.in) or: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or upload on the website of NSDL <http://www.evoting.nsdl.com>.

4. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the AGM and the facility shall be made available to the Members on first-cum-first served basis. The facility to join the AGM will close 15 minutes after the scheduled time or when the capacity is full whichever is earlier by following the procedure mentioned below. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members only on a first-cum-first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairperson of the audit committee, nomination and remuneration committee/compensation committee and stakeholders relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first-cum-first served basis. In case of joint holders, attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. Queries on financial statements and/ or operations of the Company, if any, may please be sent to the Company atleast seven (7) days in advance of the meeting so that the answers may be made available at the AGM.
7. The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode by the Members from the date of circulation of this notice upto the date of 51<sup>st</sup> AGM.
8. The Board of Directors has recommended a Final Dividend of ₹ 2.00/- (Rupees Two only) per equity share of ₹5/- (Rupees Five only) each (40%) for the financial year ended March 31, 2026 subject to approval of the Members at the ensuing AGM. The Dividend, if approved by the Members at the ensuing AGM will be paid to those shareholders whose names stand registered.
  - a. Beneficial owners at the end of business hours on Thursday, July 2, 2026, being the record date as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) will be paid the Final Dividend for the financial year ended March 31, 2026, as recommended by the Board, if approved at the AGM, on or after Wednesday, July 22, 2026.

- b. As members in the Register of Members of the Company after giving effect to valid transmission/ transposition in physical form lodged with the Company's Registrar and Share Transfer Agent (RTA) MUFG Intime India Private Limited (formerly Link Intime India Private Limited) (MUFG), C-101, 1<sup>st</sup> floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400 083, on or before the Record date. The transmission/transposition requests complete in all respects should reach the RTA well before the above date.

Members holding shares in physical mode are requested to send all the communications pertaining to shares of the Company including intimation of changes pertaining to their bank account details, mandates, nominations, change of address, e-mail id etc. with the MUFG, at their Registered Address or e-mail at [investor\\_helpdesk@in.mpms.mufg.com](mailto:investor_helpdesk@in.mpms.mufg.com) along with a copy of the signed request letter mentioning the name and address of the member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: aadhar card, driving license, election identity card, passport) in support of the address of the Member.

Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants (DPs).

In case of any queries / difficulties in registering the e-mail address or any other details, Members may write to [cs@chembond.in](mailto:cs@chembond.in).

- c. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the RTA of the Company. Members holding shares in electronic mode may contact their respective DPs for availing this facility.
- d. As per Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 November 3, 2021, and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 issued by SEBI, on Common and Simplified Norms for processing investor's service request by RTAs. SEBI has mandated the furnishing of PAN, address with pin code, e-mail address, mobile no., bank account details, specimen signature & nomination by holders of physical securities and that

from January 1, 2022, RTAs shall not process any service requests or complaints received from the holder(s)/claimant(s), till PAN, KYC and nomination documents/details etc. are received. The Company has sent reminders to the physical holders whose mandatory details are yet to be updated.

- e. As per the provisions of Section 124 of the Act, dividends not en-cashed/ claimed by the Members of the Company, within a period of seven(7) years from the date of declaration of dividend, shall be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such un-cashed / un-claimed dividend are given in the Corporate Governance Report under the heading 'Unpaid / Unclaimed Dividends'.

Details of shares transferred to the IEPF Authority are available on the website of the Company at <https://www.chembond.in/all-policies/>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in). Members who have not encashed / claimed dividend warrant(s) so far in respect of the above financial years are requested to make their claims to the RTA of the Company well in advance of the above tentative dates.

Further, pursuant to the provisions of Section 124 of the Act and IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them after complying with the procedure prescribed under the IEPF Rules. The member/claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fees as decided by the IEPF Authority from time to time. The member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html>.

Members are requested to claim any un-cashed dividends and for future opt for electronic clearing service, so that dividends paid by the Company are credited to the Members account on time.

9. Annual Report 2025-26 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/DPs. The Annual Report is also uploaded on the website of the Company at [www.chembond.in](http://www.chembond.in). Members may note that the Notice and Annual Report 2025-26 can also be accessed from websites of the Stock Exchanges i.e. BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of NSDL (agency for providing remote e-voting facility and e-voting system during the AGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. Rule 18 of the Companies (Management and Administration) Rules, 2014 requires a Company to provide an advance opportunity at least once in a financial year, to the member to register his/her e-mail address and changes therein and such request may be made by only those members who have not got their e-mail id recorded or to update a fresh e-mail id and not from the members whose e-mail ids are already registered. Members are requested to get their e-mail ids registered with their DP or RTA. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number and type, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MUFG in case the shares are held by them in physical form quoting your folio no.
11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
12. To support the ‘Green Initiative’, Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
13. The final dividend once approved by the shareholders in the ensuing AGM will be paid through Electronic Clearing Service or any other means to those shareholders who have updated their bank account details. In terms of the Listing Regulations, as amended, with effect from November 18, 2025, dividends shall be processed only in electronic mode, and payment through dividend warrants or cheques has been discontinued. Accordingly, all members are requested to update their complete bank details against their respective accounts. Shareholders are requested to update their KYC with their depositories (for shares held in Dematerialized form) and with the Company’s RTA -MUFG (for shares held in Physical form) to receive the dividend into their account.
14. IEPF along with MCA, had launched a 100 days campaign named “Saksham Niveshak” from July 28, 2025 to November 6, 2025, to reduce the amount of unclaimed dividend of the investors likely to be transferred to IEPF, guide and assist shareholder to update KYC and assist shareholders in filing of claims for dividend and shares which are lying with IEPFA without involving third parties. As a part of the above campaign, the Company made necessary newspaper publications informing the process to claim unclaimed dividend and shares. Based on response received from the shareholders, the Company guided them to update their KYC details and assisted in filing claims with IEPF. The Company continues to reach out to the shareholders to facilitate release of unpaid dividend.

The Company is carrying out Second Saksham Niveshak 100 days Campaign as advised by the IEPF Authority for KYC and related updation and to have shareholder engagement to prevent transfer of unpaid/unclaimed dividends to IEPF. Members are requested to update their KYC details, intimate changes, if any, pertaining to their name, postal address, Email IDs, telephone / mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to MUFG at <https://web.in.mpms.mufg.com/KYC-downloads.html> in case the shares are held in physical form, by quoting their folio number.

Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to MUFG, or by sending a request on e-mail at [cs@chembond.in](mailto:cs@chembond.in) or contact MUFG at [investor.helpdesk@in.mpms.mufg.com](mailto:investor.helpdesk@in.mpms.mufg.com)

15. Pursuant to SEBI Circular dated HO/38/13/11(2)2026-MIRSDPOD/1/3750/2026 dated January 30, 2026, members who have executed transfer deed(s) in respect of physical securities sold/purchased prior to April 1, 2019, and where the original security certificate is available, including cases of fresh lodgement or where earlier requests were rejected, returned or not attended due to deficiencies, have been provided a special window till February 4, 2027, to lodge/re-lodge their transfer requests. Transfers would be approved if all the requisite documents are in place. Transfer under this window will be credited only in dematerialised form and will carry a one-year lock-in period from the date of transfer registration. Members can contact the Company or the RTA, for assistance in this regard.

16. SEBI has simplified the process for issuing duplicate share certificates. The documentation requirements have been standardised as below:

Value	Required Documents
Up to ₹ 10,000	Undertaking on plain paper (no notarisation required)
Above ₹10,000 and up to ₹10 lakh	Single Affidavit-cum-Indemnity bond on a non-judicial stamp paper of appropriate value
above ₹10 lakh	Affidavit-cum-Indemnity Bond along with FIR/Police Complaint

Letter of Confirmation will not be issued with effect from April 2, 2026, and the RTA will directly credit the shares to the Member's demat account. Apart from the mandated documents for the relevant service request (including transmission or transposition), members are also required to submit the Demat Conversion Request Form (for NSDL) / Demat Request Form (for CDSL), along with the latest

Client Master List (not older than two months), both duly attested by their Depository Participant, along with Form ISR-4.

The provisions of the Income-tax Act, 2025 ("the Act") have come into force with effect from April 1, 2026, replacing the earlier Income-tax Act, 1961. Accordingly, for the purposes of this communication, all references to applicable sections, rules, rates and prescribed forms have been made in accordance with the provisions of the Income-tax Act, 2025 and the Income-tax Rules framed thereunder, as applicable for the tax year (financial year) 2026-27.

17. In accordance with the provisions of the Income-tax Act, 2025, the Company would be required to apply withholding tax / deduct taxes at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and the documents submitted by them and as acceptable to the Company by sending documents through e-mail at [cs@chembond.in](mailto:cs@chembond.in) by Friday, June 26, 2026.

The rate of TDS will vary depending on the residential status of the Shareholder and documents registered with the Company.

### 1. IN CASE OF A RESIDENT SHAREHOLDER:

TDS rate	Category of shareholder	Exemption category / required documentation
Nil	No TDS shall be deducted in the case of resident individual members, if the amount of such dividend in aggregate paid or likely to be paid during the Tax Year (FY) does not exceed ₹10,000/-	NA
10 per cent*	Resident shareholder (with valid PAN)	Update/Verify the PAN, and the residential status as per Income-tax Act, 2025 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents i.e. MUFG Intime India Private Limited (in case of shares held in physical mode).
20 per cent*	Resident shareholder (without / invalid PAN/ inoperative PAN /	NA
Nil	Shareholder Submitting Form no.121	The Shareholder provides Form 121 (applicable to resident individuals / including individuals above age of 60 years), provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and the Company may at its sole discretion reject the form, if it does not fulfil the prescribed requirement under the Act.
Rate provided in the order	Shareholder submitting order under Section 395	Lower/NIL tax deduction certificate for the tax year (FY) 2026-27 obtained from tax authority to be submitted to claim the lower tax rates.

TDS rate	Category of shareholder	Exemption category / required documentation
10% / NIL (if documents are filed)	Mutual Fund specified under Schedule VII (Table: Sl. No. 20 or 21) of the Act	A declaration that they are governed by the provisions of Section 11 [Schedule VII (20)/(21)] of the Act along with self-attested copy of relevant registration documents.
10% / NIL (if documents are filed)	Insurance Company exempted under Proviso to Section 393 of the Act	A declaration that they are beneficial owners of shares held, along with self-attested copy of relevant registration documents and PAN.
Nil	Alternative Investment Fund (AIF) established in India	A declaration that their income is exempt under Section 11 [schedule V (1)] of the Act, and they are established as Category - I or Category - II AIF under the SEBI regulations along with self-attested copy of relevant registration documents and PAN.
Nil	Provident Fund, Superannuation Fund, Gratuity Fund, Pension Fund and ESI Fund whose income is exempt under Section 11 of the Act and on which TDS is not required to be deducted	Self-attested valid documentary evidence (like approval granted by Income Tax Officer / Commissioner, relevant copy of registration, etc.)
Nil	Other Resident member who is exempted from TDS provisions through any circular/ notification	Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

**Note:**

Recording of the valid PAN for the registered Folio/ DP ID-Client ID is mandatory. If the PAN is not as per the database of the Income-Tax Portal, it would be considered as invalid PAN and in absence of valid PAN, tax will be deducted at a higher rate of 20% as per the provisions of the Act.

Shareholders are requested to ensure Aadhaar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhaar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20%.

## 2. IN CASE OF A NON-RESIDENT SHAREHOLDER:

TDS rate	Category of shareholder	Exemption category / required documentation
20% (plus applicable surcharge and cess) OR Tax Treaty Rate (whichever is lower, provided documents are received)	Non-resident shareholders (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) Investors (FPIs))	Update/Verify the PAN and the residential status as per Income Tax Act, 2025, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents i.e. MUFG Intime India Private Limited (in case of shares held in physical mode). In order to apply the Tax Treaty rate, ALL the following documents would be required: 1) Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident certifying status during Financial Year 2026-27. 2) Copy of Form 41 duly e-filled on e-filing portal of the Indian Income tax department. 3) Self-declaration from Non-resident, primarily covering the following: > Non-resident is eligible to claim the benefit of respective tax treaty. > Non-resident receiving the dividend income is the beneficial owner of such income. > Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India.
Lower rate prescribed under the tax treaty	Non-resident shareholder who has opted to be governed by the provisions of the tax treaty between India and the country of tax residence of the shareholder.	
Rate provided in the Order	Shareholder submitting Order under section 395 of the IT Act.	Lower/NIL withholding tax certificate obtained from tax authority to be submitted.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident member.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax deducted at the time of filing your income tax return by consulting your tax advisor. No claim shall lie against the Company for such taxes deducted. Shareholders will be able to see the credit of TDS in Form 168,

which can be downloaded from their e-filing account at <https://www.incometax.gov.in>

18. The Company vide its separate e-mail communication dated June 8, 2026 had informed the Members regarding the change in the IT Act as well as the relevant procedure to be adopted by the Members to avail the applicable tax rate. The detailed process is also available on the website of the Company at [www.chembond.in](http://www.chembond.in).
19. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or the Company's RTA in this regard.
20. SEBI vide its notification dated April 20, 2018, has mandated the submission of PAN and /or bank account details for updation of the same against their folio number. Members holding shares in electronic form are, therefore, requested to submit the PAN / bank account details to their DPs with whom they are maintaining their demat accounts. The Company has sent reminder, through its RTA, to the Members whose details are incomplete. Members are requested to complete their KYC at the earliest.
21. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 The said form can be downloaded from the Company's website <https://chembond.in/unclaimed-dividend/>. If a Member who desires to cancel the earlier nomination and record a fresh nomination, may submit the same in Form No. SH-14. Members holding shares in physical form are requested to obtain the nomination forms from the Company's RTA. Members are requested to submit the said details to their DPs in case the shares are held by them in electronic form and to MIPL in case the shares are held in physical form, quoting your folio number.
22. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or MIPL, the details of such folios together with the original share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
23. Members seeking any information with regard to the accounts or any matter to be placed at the

AGM, are requested to write to the Company on or before Monday, July 6, 2026 through e-mail on [cs@chembond.in](mailto:cs@chembond.in). The same will be replied by the Company suitably.

24. The instructions for remote e-voting are given as follows:

### **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS (E-VOTING):**

1. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations (as amended), and the Circulars issued by MCA, your Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

The remote e-voting period begins on July 14, 2026 at 09:00 am. and ends on July 16, 2026 at 05:00 pm. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 10, 2026 may cast their vote electronically.

The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 10, 2026.

Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.

### **How do I vote electronically using NSDL e-voting system?**





*The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:*

#### **Step 1: Access to NSDL e-voting system**

#### **A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Existing IDeAS user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on “Access to e-voting” under e-Voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>
<p>NSDL Mobile App is available on</p> <p>  App Store            Google Play         </p> <p>   </p>	

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered mobile &amp; e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

## B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

### How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your ‘initial password’?

- (i) If your e-mail id is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your e-mail id. Trace the email sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your e-mail id is not registered, please follow steps mentioned below in process for those shareholders whose e-mail ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of Company to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [bhattvirendra1945@yahoo.co.in](mailto:bhattvirendra1945@yahoo.co.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: **022 - 4886 7000** or send a request to Mr. Sanjeev Yadav, Senior Manager-NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com)

### Process for those shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@chembond.in](mailto:cs@chembond.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@chembond.in](mailto:cs@chembond.in). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-voting and joining virtual meeting for Individual shareholder holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail id correctly in their demat account in order to access e-voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@chembond.in](mailto:cs@chembond.in). The same will be replied by the company suitably.
6. Registration of Speaker –
  - a. Shareholders who would like to speak during the meeting must register their request on or before Tuesday, July 7, 2026, mentioning their name, demat account number/folio number, e-mail id, mobile number at [cs@chembond.in](mailto:cs@chembond.in).
  - b. Shareholders will get confirmation on first-cum-first served basis depending upon the provision made by the client.
  - c. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
- d. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
- e. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
- f. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- g. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
- h. The Members who do not wish to speak during the AGM but have queries may send their queries in advance at least ten (10) days prior to meeting, mentioning their name, demat account number/ folio number, e-mail id, mobile number at [cs@chembond.in](mailto:cs@chembond.in). These queries will be replied to by the Company suitably by e-mail.
- i. Members are encouraged to join the Meeting through laptops / tablets for better experience.
- j. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.

### OTHER INFORMATION:

- i. Attending the e-AGM: Members will be able to attend the AGM through VC/OAVM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
- ii. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- iii. Submission of Questions / queries prior to e-AGM: Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's email-id [cs@chembond.in](mailto:cs@chembond.in) at least 10 days before the date of the 51<sup>st</sup> AGM, so as to enable the Management to keep the information ready. Please note that, member's questions will be answered only if they continue to hold the shares as of cut-off date.
- iv. Members who need technical assistance before

or during the AGM, can contact NSDL. Corporate members intending to send their authorized representatives to attend the AGM through VC / OAVM pursuant to the provisions of Section 113 of the Act are requested to send a certified copy of the relevant Board Resolution to the Company.

- v. The Company has appointed Mr. Virendra Bhatt, (Membership no. ACS-1157, CP no. 124) and in his absence Ms. Indumati Zaveri (Membership no. 2209, CP no. 7245), as the Scrutinizer to scrutinize the remote e-voting as well as the votes cast at the time of AGM in a fair and transparent manner.
- vi. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least

two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or the Company Secretary or a person authorised by the Chairman, who shall declare the result of the voting forthwith.

- vii. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s). The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at [www.chembond.in](http://www.chembond.in) and Service Provider's website at [evoting@nsdl.com](mailto:evoting@nsdl.com) the communication will be sent to the BSE and NSE.

Navi Mumbai  
May 15, 2026

**By Order of the Board of Directors  
of Chembond Material Technologies Limited**

Registered Office:  
EL-71, Chembond Centre,  
MIDC, Mahape,  
Navi Mumbai- 400 710  
Maharashtra India  
Tel: +91 22 6264 3000  
Email: [cs@chembond.in](mailto:cs@chembond.in)  
Website: [www.chembond.in](http://www.chembond.in)  
CIN: L24100MH1975PLC018235

sd/-  
**Suchita Singh**  
Company Secretary

### STATEMENT ANNEXED TO THE NOTICE SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETINGS

#### ITEM NO. 4

The Board of Directors, on the recommendation of the Audit Committee at its meeting held on May 15, 2026, approved the appointment of M/s. Aatish & Associates, Cost & Management Accountants, (FRN.: 006726/Membership no. 30105), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027. The Board at its meeting held on May 15, 2026 has approved their appointment for the FY ended March 31, 2027 at a remuneration of ₹1,35,000/- (Rupees One Lakh Thirty Five Thousand only) plus Goods and Service Tax and reimbursement of out of pocket expenses at actual. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, consent of the Members is sought by passing an Ordinary Resolution, as set out at Item No. 4 of the Notice, for the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March 2027.

In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration approved by the Board is subject to subsequent ratification by Members of the Company.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends passing of the Ordinary Resolution as set out in the Item No. 4 of the accompanying Notice for approval by the Members.

Navi Mumbai  
May 15, 2026

**By Order of the Board of Directors  
of Chembond Material Technologies Limited**

Registered Office:  
EL-71, Chembond Centre,  
MIDC, Mahape,  
Navi Mumbai- 400 710  
Maharashtra India  
Tel: +91 22 6264 3000  
Email: [cs@chembond.in](mailto:cs@chembond.in)  
Website: [www.chembond.in](http://www.chembond.in)  
CIN: L24100MH1975PLC018235

sd/-  
**Suchita Singh**  
Company Secretary

**Details of Directors seeking Appointment / Re-Appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Secretarial Standard 2 on General Meetings:**

<b>Name of the Director</b>	<b>Mr. Jaywant Tawade</b>
DIN	08231696
Date of Birth (Age)	October 3, 1949 / 76 years
Date of Appointment/Re-appointment	May 31, 2025
Designation / Category of Directorship	Executive Director
Expertise in specific functional area	More than 46 years of experience in areas of manufacturing, projects – from design to execution to commissioning, operational excellence, strategy, TPM,
Qualification	Mechanical Engineering, PGDBM (Pune University)
Terms and conditions of appointment	Appointed as an Executive Director for a period of 3 (three) years with effect from May 31, 2025 up to May 30, 2028, liable to retire by rotation.
No. of Shares held in the Company	50
Details of remuneration last drawn (including sitting fees)	₹ 26.86 lakhs (10 months)
Directorships held in other entities (excluding foreign companies)	Chembond Biosciences Limited
Name of Listed entities from which the person has resigned in the past three years	Nil
Chairperson / Members of the Committee of the Board of Directors of the listed entities	Nil
Chairman / Member of the Committee of the Board of Directors of other public Companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil
Brief Resume	Mr. Tawade is highly experienced in areas of manufacturing, projects – from design to execution to commissioning, operational excellence, strategy, TPM, which he has developed over his career spanning 46 years including as head of manufacturing plants at Tata Motors Ltd. He currently serves as Executive Director of Chembond Biosciences Limited (Subsidiary Company). Mr. Tawade is a Mechanical Engineering graduate of the College of Engineering, Pune and also holds a PGDBM (Pune University).
No. of Board Meetings attended during F.Y. 2025-26	3
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil



Materials | Biosciences



**Metal Treatment Chemicals**



**Automotive Sealants**



**Coatings**



**Engineering Adhesives**



**Paint Booth Solutions**



**Biosciences**



**Chembond Material Technologies Limited**

Chembond Centre, EL-71, MIDC Mahape,  
Navi Mumbai-400710, India.

T: +91 22 6264 3000

[www.chembond.in](http://www.chembond.in) | [info@chembond.in](mailto:info@chembond.in)



Scan to Visit the Website

# Virendra Bhatt

Company Secretary

Office :

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Pinnacle Corporate Park,  
BKC CST Link Rd., MMRDA Area,  
Bandra Kurla Complex,  
Bandra East, Mumbai - 400 051

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**Form No.: MR-3**

## **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2026

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.: 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**Chembond Biosciences Limited**

El-71, Chembond Centre Midc, Mahape,

Navi Mumbai, Maharashtra, India, 400710.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chembond Biosciences Limited** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's statutory registers, minute books, forms and returns filed with the Registrar of Companies ('the ROC') and other relevant records maintained by the Company and also the information provided by the Company, its Officers and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2026 ("audit period"), prima facie complied with the statutory provisions listed hereunder and also that the Company has prima facie proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the statutory registers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2026, according to the provisions of:



- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (ii) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - applicable only to the extent of Overseas Direct Investment;
- (iii) I further report that, based on the Compliance Report of various Laws submitted by the Department Heads of the Company, I am of the opinion that the Company has prima facie proper system to comply with the applicable laws.
- (iv) I have also examined compliance with the applicable clauses and I am of the opinion that the Company has prima facie complied with the applicable provisions of the Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

During the audit period, I am of the opinion that the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

1. I have not examined the Financial Statement, financial Books and related financial Act, Foreign Currency Transactions, Related Party Transactions, including Reconciliation of Bank Statements etc. For these matters, I rely on the report of statutory auditor's and their observations, if any, and notes on accounts in Financial Statement for the year ended 31<sup>st</sup> March, 2026.
2. The Board of Directors of the Company is duly constituted with proper balance of Directors as prescribed under the Act. The changes in the composition of the Board of Directors that took place during the period under review were prima facie carried out in compliance with the provisions of the Act.
3. As per the information provided, prima facie adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, further, no meeting was convened at shorter notice during the year under review.
4. I was informed and have observed from the minutes of the Board and Committee Meetings that all the decisions at the Meetings were prima facie carried out unanimously.



5. There are prima facie adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor & ensure compliance with applicable laws, rules, regulations and guidelines.
6. Pursuant to the effectiveness of the Composite Scheme of Arrangement, the shareholding of the Company previously held by Chembond Chemicals Limited ("Demerged Company") was transferred to Chembond Material Technologies Limited ("Resulting Company").  
As a result, Chembond Material Technologies Limited (Listed Company) is now the Holding Company of the Company.

Additionally, the Company is a Material Unlisted Public Subsidiary of the above-mentioned Company pursuant to Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. During the audit period,
  - a. Mr. Nirmal V. Shah, a Director of the Company, resigned with effect from the close of business hours on 14th May 2025.
  - b. Mr. Sameer V. Shah resigned as the Managing Director of the Company effective from end of the day i.e. July 31, 2025. However, Mr. Sameer Shah shall continue as a Non-executive Director of the Company.
  - c. Appointed Mr. Virendra G. Bhatt, Practicing Company Secretary (ACS 1157 / CP 124), as the Secretarial Auditor of the Company for the financial year 2025-26.
  - d. As per the records produced before me, as per the explanation provided by the authorized representative and as per the Statutory Register maintained in Form MBP-4 under rule 16 of Companies (Meetings of Board and its Powers) Rules, 2014, Minutes of Meetings produced before me and the draft Audited Financial Statements, the Company has entered into Related Party Transactions as per Section 188 of Companies Act, 2013 which are at arm's length basis.

**I further report that:**

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.



2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Date: 15<sup>th</sup> May, 2026**

**Place: Mumbai**

**UDIN: A001157H000368106**



**Virendra G. Bhatt**

**Practicing Company Secretary**

**ACS No.: 1157 / COP No.: 124**

**Peer Review Cert. No.: 6489/2025**