



40th ANNUAL REPORT 2014 - 15



Chembond Chemicals Limited



Board of Directors

Dr. Vinod D. Shah	Chairman Emeritus
Ashwin R. Nagarwadia	Director
Jawahar I. Mehta	Independent Director
Mahendra K. Ghelani	Independent Director
Nirmal V. Shah	Vice Chairman & MD
O. P. Malhotra	Independent Director
Perviz H. Dastur	Director
Dr. Prakash D. Trivedi	Independent Director
Sameer V. Shah	Chairman & MD
Mrs. Saraswati Sankar	Independent Director
Sushil U. Lakhani	Independent Director

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Chief Financial Officer

Rashmi S. Gavli

Company Secretary

Varadvinayak V. Khambete

Statutory Auditors

Kastury & Talati
Chartered Accountants
Mumbai

Cost Auditor

R. S. Raghavan

Secretarial Auditor

Virendra Bhatt

Bankers

HDFC Bank Limited
Bank of India
Kotak Mahindra Bank

Registrar & Transfer Agents

TSR Darashaw Ltd.

Plants

Tarapur, Maharashtra
Nalagarh, Himachal Pradesh
Ranipet, Tamil Nadu
Dudhwada, Gujarat
Mahape, Navi Mumbai

Registered Office Address

Chembond Centre
EL71, MIDC Mahape
Navi Mumbai 400 710
Tel. : +91 22 3921 3000
Fax : +91 22 2768 1294

Dear Shareholder,

The year since the last Annual General Meeting has been a most eventful one for your Company and the country. It started with a new government beginning to implement a number of policy decisions and clearing some of the systemic impediments to the smooth functioning of the economy. The sharp fall in global oil prices coupled with reduction of the fiscal deficit resulted in a much healthier economy. The signs for the future indeed seem good.

Closer to home, as you probably know by now, your Company recently took a major decision to divest its stake in its joint venture, Henkel Chembond Surface Technologies Ltd. This decision, as you can imagine, was not an easy one to make especially since Your Company was founded with these pioneering metal treatment chemicals by Dr. Vinod D. Shah in the early seventies. Having achieved a top tier position in the country against global competition in its initial days itself, the joining of hands with Henkel, led to your Company's joint venture becoming the market leader in India.

Ultimately though, it was an objective decision to focus on businesses where your Company holds more management control and where growth and profits are not subjected to factors outside those of the economy. Your Company believes that joint ventures need to be run in the true spirit of partnership and is proud of the fact that even in joint ventures where it has a majority, decisions are taken by consensus and only in the best interests of the company.

Moving forward, Chembond will be investing in and focusing on growth via organic and inorganic means on its promising businesses of,

- Water treatment, where Chembond uniquely offers the entire spectrum of specialty chemicals, equipment systems and bio-remediation solutions for treatment of intake water, process water and waste water enabling recycling;
- Construction chemicals, where the range of superior performance products serve all stages and segments of the new construction and repair industry;
- Coatings where your Company is in the process of consolidating its high performance and industrial coatings businesses and developing greener, waterborne coatings;
- Animal Nutrition which has shown promising growth over the last few years based on the higher emphasis by farmers and industry on nutrition, bio security and introduction of modern practices;
- Protochem, a 100% subsidiary, which has introduced a wide range of maintenance and repair (MRO) products and which will continue to develop its portfolio of products for the defence industry.

Furthermore, your Company has ventured into two businesses, which are at their incubation stage:

- As has been mentioned last year, your Company started making a foray in the polymers domain. The plan is to develop unique bio-based polymers, which in addition to being renewable, offer performance characteristics better than conventional polymers. Chembond has been able to attract Dr. Prakash D. Trivedi to the Board of Directors to help guide these efforts. Dr. Trivedi is recognized as one of the foremost authorities and credited with pioneering work in this field. The results of his joining the Board are already being seen and Your Company can proudly state that it has filed its first patent this year.
- Your Company has just formed a new partnership with Calvatis GmbH in the form of a 55:45 joint venture called Chembond Calvatis Industrial Hygiene Systems Ltd. This joint venture would focus on serving the dairy, beverage, brewing and food processing industry with world-class specialty chemicals, services and equipment solutions for cleaning and hygiene management.

We remain focused on translating the potential of the Indian economy through our strong business portfolio and positioning into a profitable growth for all of you.

With warm regards,

Sameer V. Shah
Chairman and Managing Director

Nirmal V. Shah
Managing Director

6th July, 2015

Water Treatment

WITH YOU FOR YOUR WATER TREATMENT



	1 Raw Water Tank	2 Clarifier	3 Treated Water Tank	4 Cooling Tower
We Offer	<ul style="list-style-type: none"> • Coagulants 	<ul style="list-style-type: none"> • Flocculants • Scraper • Media Filter 	<ul style="list-style-type: none"> • Disinfectants 	<ul style="list-style-type: none"> • Corrosion Inhibitors • Scale Inhibitors • Dispersants • Biocides • Chemical Dosing Skid • Blow down water filters
Purpose	Once Coagulants are added and mixed, heavy particulates in the water begin to stick together and form large and heavy floc.	Flocculants are added to accelerate setting of the flocs. These large particles are removed by scrapers. The water passes through media based filters for further turbidity reduction.	Chlorine Dioxide and/or Chlorine are added to treated water to control microbiological growth. Untreated water with microbial load can cause various problems.	Chemicals are added to control corrosion, scale, deposition and biological fouling in heat transfer equipment. Chemical dosing is automated by dosing skids. Blow down water is passed through filters for re-use in cooling towers.

Your single-source water treatment solutions partner offering – chemicals, equipment, consumables, O&M services and bio-remediation solutions – all with the same Chembond commitment to customer satisfaction!

Our core business is related to water – an increasingly scarce and precious resource, essential for all human activity and for life itself. We serve the infrastructure, industrial, institutional, municipal, residential and commercial segments, offering chemical and equipment based solutions for treatment of raw water, cooling water, boiler water, process water, utility water, waste water and recycled water. Our forte is in developing practical and cost effective solutions for addressing water treatment issues, meeting water quality requirements and in identifying water saving opportunities.

TREATMENT NEEDS



5 Boiler

- Sludge Conditioners
- Oxygen Scavengers
- Condensate Corrosion Control
- DM Plant
- Condensate Polisher

Improved efficiency is achieved through use of corrosion and scale control chemicals in boilers. Feed water quality of high purity is obtained through DM plants. Condensate polishers enable water re-use.

6 Process water

- DM Plant
- UF Plant
- RO Plant
- RO Membrane treatment

Process side water generally needs to be of aparticle quality. This quality is obtained by treating the water through equipment. RO membranes need to be clean and scale free to maintain throughput.

7 Effluent Tank

- Coagulants
- Microbial cultures
- Aeration system

Microbial cultures help to break down complex chemical pollutants and reduce pollution load. Aeration is very important to provide oxygen for break down activity. Coagulants help form large flocs.

8 Secondary Clarifier

- Flocculants
- Odor control Enzymes
- Filtration Equipment

Foul odor is an often neglected problem in ETP's. Enzymes are safe to use odor control products. Flocculants accelerate settlement of flocs and their transfer to sludge tank. Filters further reduce turbidity.

9 Treated Water Tank

- Disinfectants

Chlorine Dioxide and/or chlorine are added to treated water to control microbiological growth. Untreated water with microbial load can cause various problem.



Antispumin



Mekor



KemBac

Chembond
Clean Water
Water Treatment and Rejection Solutions

SOLENIS
Strong bonds. Trusted solutions.

KemNutrient

Construction Chemicals

Construction chemicals are used by the construction and civil repair industry. These chemicals help enhance concrete strength and quality, provide water-tightness and protect concrete structures from atmospheric degradation.

Our range of admixtures, sealants, waterproofing systems, repair mortars and systems, tile fixing adhesives, tile joint fillers, floor hardeners and cement based and epoxy grouts are used by construction companies, ready-mix concrete manufacturers, civil contractors and repair and waterproofing applicators. These products find application in infrastructure projects, industrial construction, residential and commercial construction.

In the last year we introduced new products like epoxy and PU based crack injection systems, PU sealants and liquid applied water proofing membranes.



The products are sold directly to large customers and through a channel of dealers and distributors across many parts of the country. Our products are also available online on our e-store www.chembondindia.in



Protochem



Protochem Industries offers a comprehensive line of maintenance, repair, and overhaul (MRO) products to industries like transportation, power, water treatment, mining, railways, marine, defence, petroleum refineries, engineering and steel. As your trusted source for the MRO and other speciality products like industrial lubes, speciality greases, heat treatment salts, and fluids, aerosol paints, etc., you can count on Protochem to provide you with quality and value. Protochem's scope of services goes far beyond just the supply of product to also include the service to help you achieve your performance and sustainability goals.



Today **Protochem** continues tradition - a manufacturer of leading edge, high quality and affordable products backed up with expert technical service with a product range that includes speciality chemicals & lubricants such as corrosion inhibitors, heat treatment chemicals, quenching fluids, aerosol & non aerosol MRO (Maintenance Repair & Overhaul) products.



Heat Treatment	Defence	MRO
<ul style="list-style-type: none"> • Quenching Solutions • Descaling Chemicals • Heat Treatment Salts • Cleaners 	<ul style="list-style-type: none"> • Corrosion Inhibitors • Metal Preservatives • Lubricants • Gun Cleaning Oils • Antifreeze Formulations • Hydraulic Oils 	<ul style="list-style-type: none"> • Solvent Cleaner • Electrical Contact Cleaner • Silicon Mold Release • Spray Paint • Chain Lubricants • Anti-Weld Spatter

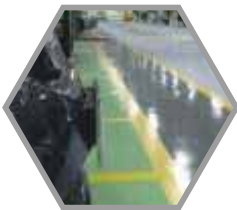
Coatings



High Performance Coatings

Coatings produce an aesthetically pleasing, chemical resistant and wear resistant barrier that protects substrates. Steel and concrete structures, floors, and plant equipment are expensive to replace or maintain. Chemical attack and mechanical wear and tear on unprotected surfaces can also lead to an unsafe work environment.

Chembond designs and recommends coating systems to suit industrial environments. A wide range of products such as Surface Tolerant Coatings, Food Grade Coatings, Anti-Carbonation Coatings, Elastomeric Coatings, Electrostatic Dissipation Floor Coatings, Chemical Resistance Flooring, Anti-fungal and Anti-bacterial Wall Coating, etc. are available to cater to industrial as well as commercial sectors.



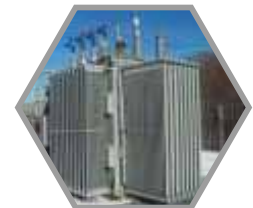
Car Park Flooring



Structural Pipe Coating



Epoxy Flooring



Transformer Coating



Heat Resistant Coating



Decorative Flooring



Passive Fire Protection Coating



ESD Flooring



Industrial Coatings

Chembond's Industrial Coatings offer the benefit of our experience to add value to our customers' processes and products. The industry's need is for coatings that offer performance along with value and environmental & safety compliances. One of the focus areas is development of waterborne coatings, with co-solvent percentage variable from 15 percent to the new generation coatings where Volatile Organic Compounds (VOC's) are near zero.



Containers



Building Equipments



Furniture



Machine & Tools



Agriculture



White Goods



Transport



Industrial Equipments

KemGreen Eco-friendly Water Based Industrial Coatings -



KemGreen series products are for Direct to Metal (DTM) application in Automotive and General Industries. These are water-based products and compatible with various substrates like cast iron, alloys, steel, aluminum, plastics and also rubber parts.

'Monocoat Aqua PE', water based Peel-able Coating with a very low content of co-solvent. The product has excellent resistance to water, solvents especially in transit conditions.

KemOxy

KemThane

Acrilin

Epoxin

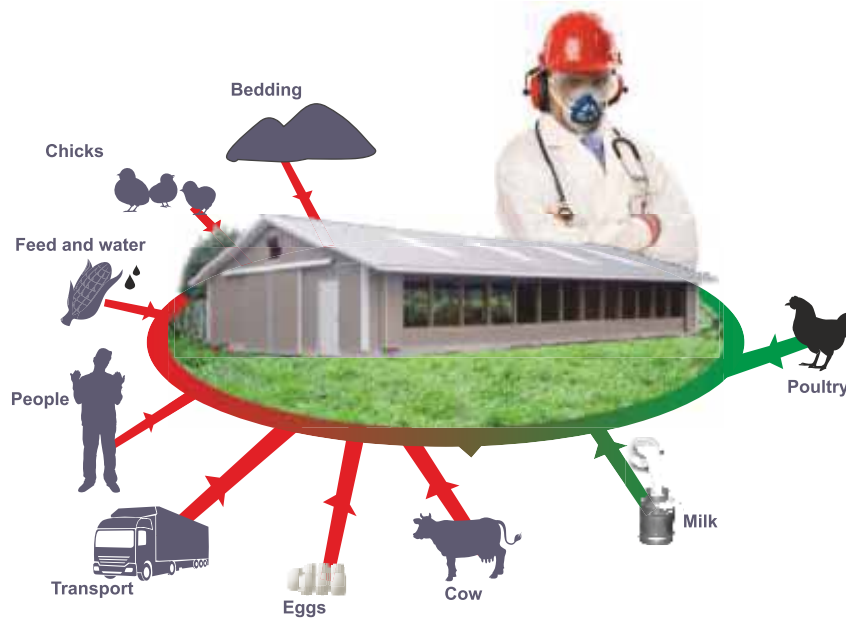
KemGreen

7

Animal Nutrition



Chembond manufactures and markets a unique range of products to keep dairy livestock and poultry healthy and productive. Our continuous research and development, a young dynamic work force, competent technical support, nationwide network of ISO and FDA certified plants, and innovative, value delivering products have helped make Chembond a fast growing company in the industry



Biosecurity

Biosecurity is the prevention and control of the outbreak of disease and pathogens in farms. Chembond's products help achieve this by two ways - Disinfection and Water Treatment. Disinfection comprises regular aerial and surface disinfection, fogging, foot dips, restriction of vehicles & visitors etc. A range of products under the brand name KemRaksha offer such solutions. Meanwhile, unique products like BromoGrane are added to the water fed to the farm animals to further ensure no contamination takes place via water sources.