



FAIRCHEM
A FAIRFAX COMPANY

FAIRCHEM ORGANICS LIMITED

Regd. Office 253/P & 312, Village Chekhala, Sanand - Kadi Highway,
& Works : Taluka SANAND, District: Ahmedabad - 382 115, GUJARAT, INDIA.
Phone (Board Nos.) : (02717) 687900, 687901, +91 90163 24095
E-mail : cs@fairchem.in
CIN : L24200GJ2019PLC129759 Website : www.fairchem.in

Date: May 30, 2023

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Ourselves: BSE Scrip Code: 543252/NSE symbol: 'FAIRCHEMOR'

Dear Sirs,

Ref: Regulations 30 & 33(3) of the SEBI (LODR) Regulations, 2015
Sub: Outcome of Meeting of Board of Directors held on May 30, 2023

This is to bring to your kind notice that a meeting of the Board of Directors was held today i.e. May 30, 2023 through audio - visual means, which commenced at 4.00 p.m. and concluded at 5.20 p.m. As required under Regulation 30 [Schedule III Part - A (4)] of SEBI (LODR) Regulations, 2015, we give below the main outcome of the aforesaid Board Meeting: -

1. Considered and approved Audited Financial Results, prepared under IND-AS, for the quarter and year ended March 31, 2023. Copy of the same is enclosed.
M/s. B S R & Co. LLP, Chartered Accountants, Ahmedabad, the Statutory Auditors of the Company have issued Independent Auditors' Report with an unmodified opinion on the Audited Financial Results for the financial year ended March 31, 2023. This declaration is made pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Declaration by the Company Secretary regarding unmodified opinion on Audited Financial Results by the Statutory Auditors.
3. Recommendation of Dividend @ 75% i.e. Rs. 7.50 per Equity Share (on par value of Rs. 10/-), subject to approval of the shareholders in the ensuing AGM.
4. Re-appointment of Shri Nahoosh J. Jariwala, Chairman and Managing Director of the Company, for further period of three years w.e.f. August 13, 2023, subject to approval of the Shareholders.

The details required under Regulation 30 of the SEBI (LODR) regulations, 2015 read with SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed herewith as Annexure A.



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Continuous Sheet No.

5. The 4th Annual General Meeting of the Members of the Company will be held on Monday, August 7, 2023 through Video Conferencing and other Audio Visual Means.
6. Pursuant to Section 91 and other applicable provisions of the Companies Act, 2013 and in accordance with Regulation 42 of the SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Book shall remain closed from Tuesday, August 1, 2023 to Monday, August 7, 2023 (both days inclusive) for the purpose of determining the members eligible to received Dividend, if approved by the members in the ensuing Annual General Meeting.

We request you to take the above on your records.

Thanking you,

Yours faithfully,
For Fairchem Organics Limited


Rajen Jhaveri
Chief Financial Officer & Company Secretary

Encl: As above



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Continuous Sheet No.

ANNEXURE - A

Sr. No.	Particulars	Details
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Shri Nahoosh J. Jariwala has been re-appointed as Managing Director of the Company for further period of three years w.e.f. August 13, 2023 to August 12, 2026, subject to approval of the shareholders
2.	Date of appointment/re-appointment (as applicable) Terms of appointment/re-appointment	August 13, 2023 For three years w.e.f. August 13, 2023 to August 12, 2026
3.	Brief profile (in case of appointment/re-appointment)	Shri Nahoosh J. Jariwala, a Commerce graduate is associated with the group in the capacity of Managing Director since 2010. He has a total experience of over 32 years. His association with this business is now for more than 28 years. He has expertise in all crucial areas of this business of the Company viz. selection of right production and utility equipments, process and product development related matters, commercial and financial matters, etc.
4.	Disclosure of relationships between Directors (in case of appointment/re-appointment of a Director)	Shri Nahoosh J. Jariwala is not related inter-se to any Director of the Company.
5.	Information as required pursuant to BSE Circular with ref. no. LIST/COMP/14/2018-19 and the National Stock Exchange of India Limited with ref. no. NSE/CML/2018/24 dated June 20, 2018	Shri Nahoosh J. Jariwala is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority

B S R & Co. LLP

Chartered Accountants

903 Commerce House V,
Near Vodafone House, Prahaladnagar,
Corporate Road, Ahmedabad 380 051. India
Telephone: +91 (79) 7145 0001
Fax: +91 (79) 7145 0050

Independent Auditor's Report

To the Board of Directors of Fairchem Organics Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Fairchem Organics Limited (hereinafter referred to as the "Company") for the year ended 31 March 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;

Independent Auditor's Report (Continued)

Fairchem Organics Limited

making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results 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 annual financial results.

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 annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

B S R & Co. LLP

Independent Auditor's Report (Continued)
Fairchem Organics Limited

Other Matter

- a. The annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rupen Dilip Kumar Shah
Digitally signed by
Rupen Dilip Kumar
Shah
Date: 2023.05.30
16:30:51 +05'30

Rupen Shah

Partner

Mumbai

30 May 2023

Membership No.: 116240

UDIN:23116240BGWVDO1296



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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

		(Rs. In Lakhs)				
		Quarter ended			Year ended	
		31-Mar-2023	31-Dec-2022	31-Mar-2022	31-Mar-2023	31-Mar-2022
		Audited (Refer note 2)	Unaudited	Audited (Refer note 2)	Audited	Audited
I	Income					
	(a) Revenue from operations	15,150.77	10,222.91	17,736.98	64,693.70	64,227.98
	(b) Other operating revenue	39.28	25.31	26.68	110.40	90.46
II	Other income	16.88	27.19	2.63	67.56	36.16
III	Total income (I + II)	15,206.93	10,275.41	17,766.29	64,871.66	64,354.60
IV	Expenses					
	Cost of materials consumed	13,433.73	6,554.18	12,984.51	50,133.95	47,090.23
	Changes in inventories of finished goods and work-in-progress	(2,392.89)	1,600.97	778.13	(1,062.51)	(1,220.33)
	Employee benefits expense	478.91	501.81	435.78	1,961.65	1,774.68
	Finance costs	131.80	92.19	166.70	626.24	685.55
	Power and fuel	998.76	617.69	1,000.44	3,682.10	3,640.49
	Depreciation and amortisation expenses	212.76	208.62	185.50	815.19	713.10
	Other expenses	748.08	606.10	692.58	2,855.79	2,546.84
	Total expenses	13,611.15	10,181.56	16,243.64	59,012.41	55,230.56
V	Profit before tax (III - IV)	1,595.78	93.85	1,522.65	5,859.25	9,124.04
VI	Tax expense					
	Current tax	420.15	(36.30)	399.86	1,349.64	2,190.15
	Deferred tax	(10.41)	69.29	(1.53)	159.46	143.25
	Total tax expense	409.74	32.99	398.33	1,509.10	2,333.40
VII	Profit for the period after tax (V - VI)	1,186.04	60.86	1,124.32	4,350.15	6,790.64
VIII	Other comprehensive income					
	Items that will not be reclassified to profit or loss:					
	- Remeasurement (losses) / gains on post employment defined benefit plans	74.44	(1.43)	14.98	71.65	8.82
	- Income tax effect	(18.73)	0.36	(3.77)	(18.03)	(2.22)
	Other comprehensive income for the year / period, net of tax	55.71	(1.07)	11.21	53.62	6.60
IX	Total comprehensive income (VII + VIII)	1,241.75	59.79	1,135.53	4,403.77	6,797.24
X	Other Equity				24,623.92	21,912.87
XI	Paid - up Equity Share Capital (Face Value of Rs. 10/- each)	1,302.09	1,302.09	1,302.09	1,302.09	1,302.09
XII	Earnings Per Share (EPS) of Rs. 10/- each (Not annualised) (In Rs.)					
	Basic	9.11	0.47	8.63	33.41	52.15
	Diluted	9.11	0.47	8.63	33.41	52.15



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AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2023

		(Rs. in Lakhs)	
		As At	
		31-Mar-2023	31-Mar-2022
		Audited	Audited
A	Assets		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	15,145.45	13,633.13
	(b) Right to use asset	415.05	421.51
	(c) Capital work-in-progress	3,486.97	4,199.85
	(d) Intangible Assets	51.73	3.18
	(e) Intangible Assets under Development	-	22.21
	(f) Financial Assets		
	(i) Other Financial Assets	20.53	17.84
	(g) Non-Current Tax Assets (Net)	182.30	189.45
	(h) Other Non-Current Assets	81.50	195.66
		19,383.53	18,682.83
2	Current Assets		
	(a) Inventories	7,995.69	7,002.56
	(b) Financial Assets		
	(i) Trade Receivables	6,257.91	6,222.15
	(ii) Cash and cash equivalents	0.78	0.83
	(iii) Bank balances other than (ii) above	5.98	15.23
	(iv) Loans	1.36	1.30
	(v) Other Financial Assets	1.62	0.75
	(c) Other Current Assets	593.93	481.88
		14,857.27	13,724.70
	Total Assets	34,240.80	32,407.53
B	Equity And Liabilities		
	Equity		
	(a) Equity Share Capital	1,302.09	1,302.09
	(b) Other Equity	24,623.92	21,912.87
		25,926.01	23,214.96
	Liabilities		
1	Non- Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	998.70
	(b) Provisions	179.24	174.98
	(c) Deferred Tax Liabilities (Net)	1,458.05	1,280.56
		1,637.29	2,454.24
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	5,016.76	5,204.32
	(ii) Trade Payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	165.38	101.46
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	891.57	803.84
	(iii) Other financial liabilities	106.56	75.94
	(b) Other current liabilities	358.55	359.06
	(c) Provisions	89.85	98.89
	(d) Current Tax Liabilities (Net)	48.83	94.82
		6,677.50	6,738.33
	Total Equity and Liabilities	34,240.80	32,407.53



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STATEMENT OF AUDITED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

	(Rs. In Lakhs)	
	Year ended on March 31, 2023	Year ended on March 31, 2022
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	5,859.25	9,124.04
Adjustments for:		
Depreciation and amortisation expense	815.19	713.10
Finance Costs	626.24	685.55
Interest Income	(1.24)	(3.73)
Unrealised Foreign Exchange (Gain)	(3.52)	(4.47)
Provision no longer required written back	-	(8.42)
Loss / (Gain) on sale of assets (Net)	4.42	(7.92)
Operating Profit Before Working Capital Changes	7,300.34	10,498.15
Adjustments For Changes In Working Capital:		
(Increase) In Inventories	(993.13)	(2,473.07)
(Increase) / Decrease In Other Non Current Financial Assets	(2.69)	0.02
(Increase) In Trade receivables	(31.96)	(1,540.95)
(Increase) In Current Loans	(0.06)	(1.13)
Decrease In Other Current Financial Assets	-	2.00
(Increase) / Decrease In Other current assets	(112.05)	82.36
(Increase) In Other Non current assets	(28.20)	-
Increase / (Decrease) In Trade and Other Payables	151.37	(186.17)
Increase / (Decrease) In Non Current Liabilities - Provisions	4.26	(2.22)
Increase In Current Liabilities - Provisions	62.61	5.62
(Decrease) In Other Current Liabilities	(0.51)	(100.75)
Cash Generated From Operations	6,349.98	6,283.86
Direct Taxes Paid (Net)	(1,388.48)	(2,235.32)
A. Net Cash Generated From Operating Activities	4,961.50	4,048.54
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(1,472.59)	(3,459.39)
Proceeds from Sale of Property, Plant and Equipment	23.04	37.50
Interest Income	0.37	3.48
B. Net Cash (Used In) Investing Activities	(1,449.18)	(3,418.41)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Long Term Borrowings	(1,291.60)	(2,165.40)
Proceeds / (Repayment) of Short Term Borrowings (net)	105.35	2,688.09
Dividend Paid	(1,692.72)	(455.73)
Interest Paid	(633.40)	(698.85)
C. Net Cash (Used In) Financing Activities	(3,512.37)	(631.89)
Net (Decrease) in cash and cash equivalents (A+B+C)	(0.05)	(1.76)
Cash and Cash Equivalents as at the beginning of the period	0.83	2.60
Cash and Cash Equivalents as at the end of the period	0.78	0.83

Note :

1 The above Statement of Cash flows has been prepared under the "Indirect Method" set out in Ind AS 7 - "Statement of Cash Flows"

Notes:

1. The above financial results, as reviewed by Audit Committee, are subsequently approved by the Board of Directors at their meeting held on May 30, 2023. The Statutory Auditors have audited the Company's financial results for the year ended March 31, 2023.
2. The figures for the quarters ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the year to date unaudited figures up to the third quarter for the respective years. Also, the figures up to the end of third quarter had only been reviewed and not subjected to audit.
3. The Board of Directors has recommended dividend on equity shares @ Rs. 7.50 per share i.e. 75% for the year ended March 31, 2023.
4. The Company is engaged in the business of manufacturing of speciality chemicals viz. Oleo Chemicals and Intermediate Nutraceuticals. Considering the nature of Company's business, as well as based on review of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable business segment in accordance with the requirements of IND AS 108 – "Operating Segments". As almost all the revenue of the Company is from domestic sales, no separate geographical segment is disclosed.
5. The Indian Parliament has approved the Code on Social Securities, 2020 ('Code') which may likely impact the contributions made by the Company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the corresponding rules are notified and will give appropriate impact in the financial results in the period in which the Code becomes effective and the related rules are notified.
6. Investors can view the unaudited / audited financial results of the Company for the quarter and year ended March 31, 2023 on the Company's website www.fairchem.in, on the website of the BSE www.bseindia.com and on the website of NSE www.nseindia.com.

**For and on behalf of the Board of Directors,
For Fairchem Organics Limited,**

NAHOOSH JAYVADAN
JARIWALA

Digital Signature of NAHOOSH JAYVADAN JARIWALA
DN: cn=NAHOOSH JAYVADAN JARIWALA, o=FAIRCHEM ORGANICS LIMITED, ou=FAIRCHEM ORGANICS LIMITED, email=NAHOOSH.JAYVADAN@FAIRCHEM.ORG, c=IN

Place: Chekhala, Taluka Sanand, Dist. AHMEDABAD
Date: May 30, 2023

**Nahoosh Jariwala
Chairman and Managing Director
(DIN: 00012412)**