



August 21, 2023

To,

The General Manager,
Listing Department,
Bombay Stock Exchange Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001
Company code: 533333

The Manager,
Listing & Compliance Department
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400051
Company code: FCL

Subject: Submission of Annual Report for the FY 2022-23 pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed a copy of the Annual Report for the financial year 2022-23 of 20th Annual General Meeting (“20th AGM”) of the Company. The 20th AGM is scheduled to be held on **Friday, September 15, 2023, at 05.00 P.M. (IST)** through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”).

The Annual Report for the financial year 2022-23 including the Notice of the 20th AGM is made available on the website of the company i.e. <https://fineotex.com/investor-relation/>

Kindly take the above information on your record and disseminate to the members.

Thanking you,

Yours faithfully,
For FINEOTEX CHEMICAL LIMITED

Sunny Parmar
Company Secretary & Compliance Officer



Encl: As above



FINEOTEX CHEMICAL LIMITED

Manorama Chambers, S. V. Road, Bandra (West), Mumbai - 400 050. India. **Phone** : (+91-22) 2655 9174
Fax : (+91-22) 2655 9178 **E-mail** : info@fineotex.com **Website** : www.fineotex.com CIN - L24100MH2004PLC144295



FCL

FINEOTEX
CHEMICAL LIMITED

20th Annual Report



2022-23

Expanding together for a
Sustainable Future

Board of Directors



SurendraKumar Tibrewala
Chairman and Managing Director



Sanjay Tibrewala
Executive Director



Aarti Jhunjunwala
Executive Director



Navin Mittal
Independent Director










Alok Dhanuka
Independent Director



CS Bindu Shah
Independent Director



Dr. Sunil Waghmare
Independent Director

-  Administrative Committee  Anti sexual Harassment Committee  Audit Committee  CSR Committee
-  Nomination and Remuneration Committee  Stakeholder Relationship Committee  Whistle - blower Committee

Contact Us

REGISTERED OFFICE

42/43, Manorama Chambers, S.V. Road, Bandra (W), Mumbai - 400050. Tel: +91 - 22 - 2655 9174-77
Fax: +91-22-26559178 | E-mail: investor.relations@fineotex.com | Website: www.fineotex.com

Plant Location

Navi Mumbai: A 699 & 700, 684 & 685, 687,669 TTC Industrial Area, MIDC, Mahape, New Mumbai - 400705.

Ambarnath: B 24, Additional, Ambarnath Industrial Area, Ambarnath - 421506.

E-mail: investor.relations@fineotex.com | Website: www.fineotex.com

Registrar & Share Transfer Agent

BIGSHARE SERVICES PRIVATE LTD.

(For shares and dividend related queries)

E-2/3, Ansa Industrial Estate, Saki Vihar, Road, Saki Naka, Andheri (E), Mumbai - 400 072.

Tel: +91 022 6263 8204 | E-mail: investor@bigshareonline.com | Website: www.bigshareonline.com

Bankers

- | | |
|--|---|
| <ul style="list-style-type: none">• Indian Bank• Kotak Mahindra Bank• ICICI Bank | <ul style="list-style-type: none">• Federal Bank• Punjab National Bank
(Formally known as Oriental Bank of Commerce) |
|--|---|

Statutory Auditors, Cost Auditors & Secretarial Auditors

STATUTORY AUDITORS

- ASL & Co
Chartered Accountants

COST AUDITORS

- V. J. Talati & Co.
Cost Accountants

SECRETARIAL AUDITORS

- HSPN & Associates LLP
Company Secretaries

Company Secretary

- Hemant Auti (Till 7th December 2022)
- Sunny Parmar (w.e.f. 13th December 2022)

We are now



Celebrating our
High-Trust High-Performance Culture™!

Chairman's Speech



Dear Shareholders,

I am delighted to present Fineotex Chemical Limited's Annual Report for the year **2022-23**. On behalf of Fineotex, I extend my heartfelt gratitude to all of you for your unwavering support and trust in our organization.

Past Year Performance:

I am happy to announce that Fineotex has achieved remarkable milestones during the current fiscal year. We are honoured to be included in the prestigious Nifty Microcap Index, which serves as a recognition of our impressive performance and signifies market presence in the microcap segment. Additionally, we have successfully entered the prestigious 'A' group category of listed companies, which underlines our financial stability, transparency, and adherence to regulatory standards. This reclassification not only enhances our visibility among investors but also underscores our commitment to sound corporate governance practices.

Furthermore, our credit ratings had significant upgrades from renowned rating agencies. ICRA has upgraded our ratings to A (Long Term) and A1 (Short Term), indicating our enhanced creditworthiness. Similarly, CRISIL has upgraded our ratings to A/Stable (Long Term) and A1 (Short Term), affirming our strong financial position and stability. These rating upgrades validate our ability to meet financial obligations and instil confidence in our stakeholders. We are preferred suppliers and solution providers to top 100 textile and FMCG Companies in India and abroad.

Financial Performance:

Our financial performance for the FY2022-23 has been the best ever till date. I am proud to announce a staggering year-on-year revenue increase of **40.4%**, reaching **Rs. 5,170 million**. This remarkable growth sets a new benchmark for us and is a testament to the dedication and hard work of our talented team. The strong demand for our products and services in the market has been a key driver of this success.

In addition, our EBITDA was INR. **1,126 million**, a substantial year-on-year growth of **58.1%**. This underscores our strategic endeavours, effective cost control measures, and steadfast dedication to operational excellence. By maintaining an EBITDA margin of **21.8%**, we have proven our capacity to consistently generate profitable outcomes and deliver value to our stakeholders.

These results serve as a foundation for us to actively pursue new opportunities. I extend my heartfelt gratitude to our shareholders, long standing customers, trusted partners and dedicated employees who have played an instrumental role in our success. As we navigate the ever-changing business landscape, we remain steadfast in our commitment to innovation, customer satisfaction, and operational excellence. With our strong financial performance as a catalyst, we are confident in driving sustainable growth.

Business Strategy:

Fineotex has strategically expanded into the cleaning and hygiene industry, leveraging our core strengths in the textile chemical sector. This strategic move enables us to diversify our business operations and generate additional sources of revenue, leveraging our extensive expertise. Our expansion into the cleaning and hygiene industry aligns with the increased focus on cleanliness, particularly in the post-pandemic era. The growing demand for hygiene products presents significant growth opportunities for Fineotex. We are committed to maintaining the same high standards of quality and performance that have defined our textile chemicals. Our goal is to deliver effective and sustainable solutions in the cleaning and hygiene sector, meeting customer expectations while minimizing our environmental footprint.

The Indian Home Care market is currently valued at INR 35,000 Crores and is expected to grow at good pace the next 5 years. At FCL we are at the forefront to capitalise on the emerging opportunities by developing a newer range of products that will serve the ever changing customer needs. We have recently introduced five (5) innovative solutions including few in newer liquid format. These solutions offer safety and convenience to the consumers while optimising the cost and increasing the customer delight.

We take pride in our extensive manufacturing capabilities across multi-locations including our strategically platform positioned at Ambernath, Mahape and Selangor in Malaysia. These manufacturing platforms serves as an essential hub providing us with necessary flexibility and capacity to oversee the expanding requirements of our product diversification. By leveraging these advanced facilities Fineotex maintains agility in adapting to market needs, ensuring efficient production and timely delivery of our wide range of innovative solutions.

Research and Development:

Our Research & Development Team works hard to create innovative products that are eco-friendly, bio-degradable and cost effective solutions for our value added customers.

Road ahead:

At Fineotex, we have a clear vision for the future. We will continue to prioritize innovation and sustainability, leveraging our core strengths to seize new opportunities. Through research and development, strategic partnerships, and a steadfast commitment to responsible practices, we aim to lead the way in the evolving chemical industry. Our agile approach and unwavering focus on customer needs will ensure sustained growth and create a positive impact.

We are focusing on expanding our market by developing new products, entering new territories and offering new value added products through our technological solutions of customized customer solution experiences.

We have grown **40%** in revenue and **58%** in EBITDA in financial year 2022 - 2023. We are targeting for higher benchmark in coming years.

Sustainability:

Fineotex's sustainability strategy is firmly grounded in our commitment to meeting the expectations of our stakeholders and aligning our practices with well-established environmental standards. We adopt a proactive approach in anticipating forthcoming regulations and proactive implement measures to prevent any adverse environmental effects. Our foremost priority lies in developing processes and products that are ecologically sustainable, posing no harm to the natural environment or living organisms. Furthermore, we place significant emphasis on safeguarding consumers by carefully considering the intended and anticipated usage of our products.

As responsible stewards of the central effluent treatment plant (CETP), we uphold our commitment to environmentally compliant wastewater discharge practices. By operating our own effluent treatment plant, we adhere to regulatory standards while minimizing our ecological footprint. Our unwavering focus is on the development of specialty products that foster sustainability, enhance operational processes, optimize efficiency, and effectively reduce costs by curbing water and energy usage.

We maintained a vigilant focus on monitoring our energy consumption, and implemented measures to optimize energy costs, and adopted effective energy conservation practices. For the fiscal year 2023-24, we are preparing to operationalize our solar panel initiative. By leveraging the potential of renewable energy sources, specifically solar power, we intend to reduce our dependence on non-renewable energy.

In our efforts to uplift the underprivileged sections of society and to create a positive impact on their lives, we consider Corporate Social Responsibility as a key focus area. In this regard, we have associated with well-known organizations who help us to in initiatives dedicated to improving social infrastructure like education, sanitation, nutrition, and access to clean drinking water for the marginalized communities.

We remain fully committed to uphold the highest standards of excellence by actively promoting innovations and catalysing positive societal transformations. As we steadfastly advance on our path, our unwavering dedication to achieving excellence, embracing innovative advancements, and making meaningful contributions to a brighter future remains a part of paramount importance. With the invaluable support of our stakeholders, we feel confident to leave an indelible legacy that benefits future generations.

Surendrakumar Tibrewala
Chairman & Managing Director

Strategic Direction



Fineotex + Biotex Synergies

Leverage Fineotex's industry insights and long standing customer relationships with Biotex's high end product expertise and regional positioning to serve global customers.



Greenfield Developments

The facility at Ambarnath, Maharashtra is future ready for next phase of growth. Partnerships with International companies to establish manufacturing facilities in India.



New Product Categories

Enter fast growing synergistic segments such as Cleaning and Hygiene and Drilling Specialties while continuing to focus on the core Textile Chemicals business.



Grow Market Share

Strong in-house development capabilities to grow market share across existing and new customers in both Indian and International markets. Continue to develop direct customer relationships and expand distribution network. business.



Disciplined Capital Allocation

Fineotex has a conservative approach to funding acquisitions and capacity expansions through internal accruals. Capital structure targeted to be net debt neutral.

Certifications

FCL

Where Dependability Counts...
**MANUFACTURER OF SPECIALITY
PERFORMANCE CHEMICALS & SOLUTIONS**

ISO 9001 : 2015

ISO 14001 : 2015

ISO 14045 & ISO 22000

ISO 45001 : 2018

WHO - GMP

SA 8000

HACCP

Green Building

Gots Version 6.0

FDA For HPC

Public Listed Company

Exports To 69 Countries

Star Export House

Bluesign (Biotex, Malaysia)

Plants In India & Malaysia

Eco Passport

ZDHC Contributor

Graet Place To Work

EURODYE - ctc
(Collaboration For India)

Ranked Amongst India's
Top 1000 Companies By Nse

Health Guard
(Global Marketing Channel Partner)



BT BIOTEX Sdn BHD, is a proud bluesign® SYSTEM PARTNER

Tested and verified chemicals.
www.oeko-tex.com/ecopassport

Our Evolution

2004

- Accredited with ISO 9001:2008
- Incorporation of Fineotex Chemical Private Limited (FCL)



2007

- Acquisition of FCPL by Fineotex Chemical Limited



2011

- Listed on BSE
- Incorporated wholly owned subsidiary in Malaysia
- Acquired majority stake in Biotex Group



2018

- Awarded as IPF fastest growing chemical manufacturing Company at BSE Limited on Dec' 17



2019

- Biotex partnered with Bluesign
- Manufacturing capacity increased to 43,000 MTS annually and both facilities GMP certified



2020

- Buyback of 11 Lacs shares up to a maximum price of Rs.40
- Deploying Rs.270 million for the new facility at Ambarnath Maharashtra



2014

- Bonus declared on 1:1 basis
- Accredited with ISO 4001:2004 & OHSAS 8001:2007 Certification



2015

- Listed on NSE
- Received Star Export House recognition



2017

- Fineotex Chemical Limited announced first buyback



2021

- Collaboration with Eurodye-CTC
- Collaboration with HealthGuard
- Partnership with Sasmira
- Ambernath facility commenced production in Nov 2021



2022

- Hurun India - Industry Achievement Award (Textile Chemistry)
- Awarded Dun & Bardstreet Business Enterprises of Tomorrow
- Manufacturing capacity increased to 104,000 MTS annually and both facilities GMP certified
- Our Fineotex Family now exceeds the milestone number of 1,00,000 Shareholders
- NIFTY Mid Cap Recognition



Collaborations



HealthGuard, Australia

HealthGuard is an Australian company engaged in the research and development, manufacture and sales of HealthGuard® products, being globally successful since 1991, with a proven track record commercializing intelligent biotech solutions. The HealthGuard® biotech brand began during the early years of Dr. Chris Harvey.

The product range continues to grow with consumers discovering the real life benefits HealthGuard® has to offer world wide. HealthGuard has collaborated with Fineotex-Biotex to leverage their existing buyer network, with the dual benefit of growth and expanding Fineotex-Biotex range with bio effective sustainable textile treatments! HealthGuard product approved in Turner Bianca, IKEA and many reputed groups of companies.

Our Range is Designed to Help People



ANTI - VIRAL

Protect against a broad range of deadly virus and microbes



ANTI - DUST MITE

Hypoallergenic treatments to destroy pathogens that are known to trigger asthma



ANTI - MOSQUITO

Assist in combating deadly disease such as malar caused by blood feeding mosquitoes



ANTI - MICROBIAL

Protect against a broad range of microbes enhancing hygiene and freshness



ANTI - BED BUGS

Prevent the infestation of blood sucking bed bugs known to cause irritation



EURODYE - ctc

TECHNOLOGY AND SERVICE

Since 1856

Eurodye-CTC SA, Belgium

The Eurodye-CTC group is a world-renowned European brand for specialized textile auxiliary manufacturer with footprints in 60 countries. Eurodye-CTC offers a large selection of products which meet international quality standards like REACH registration, GOTS, Bluesign, Green screen, which ensures that its formulations are free from any harmful ingredients. Eurodye-CTC plant is in Belgium which was taken over from Unilever few decades ago. Eurodye-CTC has acquired the business of Stephenson Group UK for their special wool speciality chemicals in 2019.

ESG

Considering
Environmental Sustainability
& Social Governance As Our Responsibility



Biotex Malaysia Group

is now a proud system partner of bluesign

bluesign®

SYSTEM
PARTNER

Environment



Focusing on Environmental factors and make efforts to restore the environment

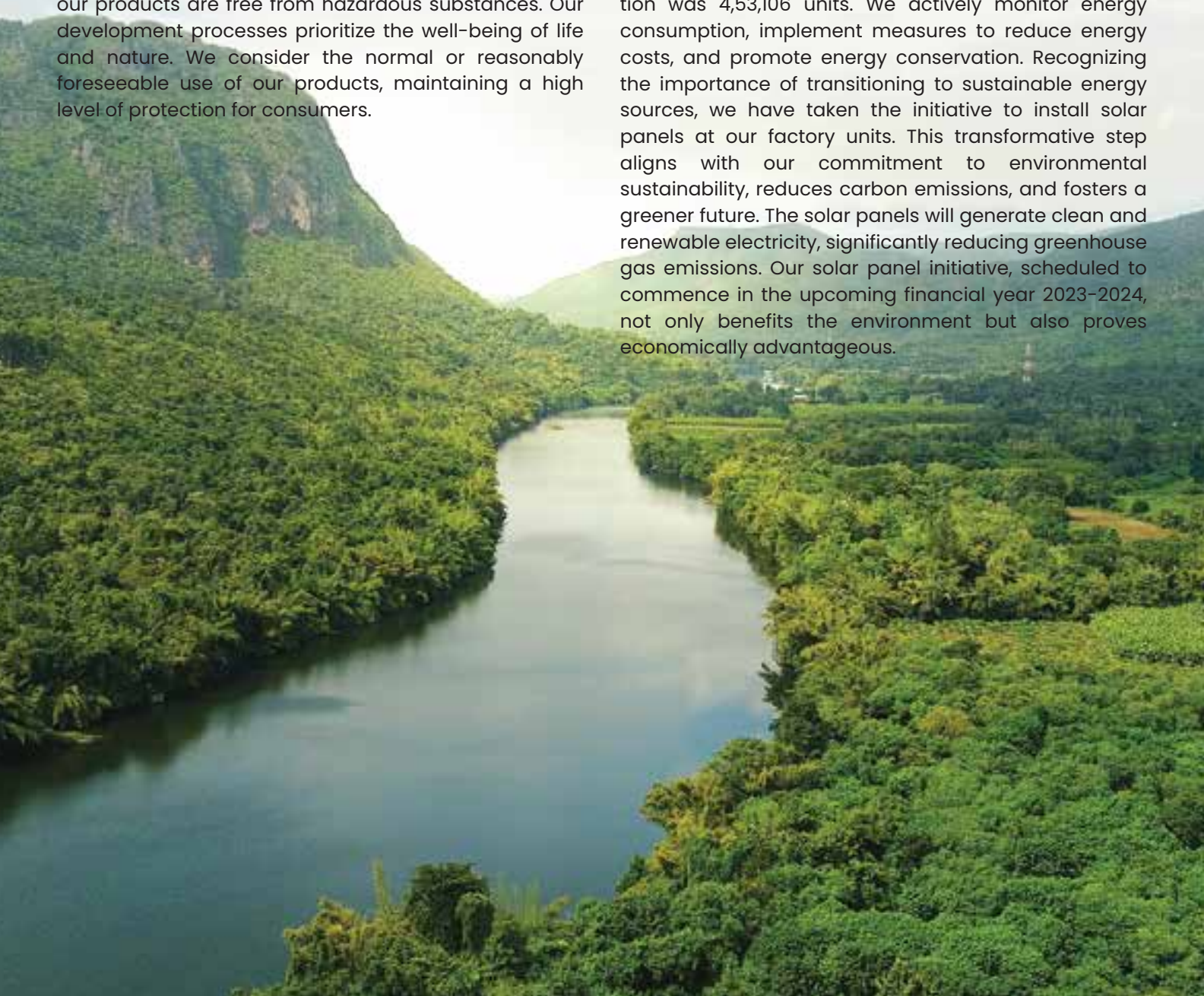
Environment Strategy in Place: Our long-term environmental strategy aligns with stakeholders' expectations and aims to proactively manage environmental practices. We anticipate future regulations to prevent negative environmental impacts voluntarily. At Fineotex, we not only meet the stipulated requirements set by statutory authorities but also strive to create a safer workplace for our employees and the community.

Product Free From Harmful Substances: We ensure that our products are free from hazardous substances. Our development processes prioritize the well-being of life and nature. We consider the normal or reasonably foreseeable use of our products, maintaining a high level of protection for consumers.

Waste Water Safe Discharge: As members of the central efficient treatment plant, we discharge wastewater safely through our own efficient treatment plant in accordance with CETP guidelines.

Water Savings Initiatives: Our focus is on developing sustainable, super specialty products that improve processes, increase efficiency, and reduce costs by minimizing water and energy consumption. This strategic approach not only contributes to the company's growth but also enables our customers to perform better.

Energy Consumption: In FY23, our electricity consumption was 4,53,106 units. We actively monitor energy consumption, implement measures to reduce energy costs, and promote energy conservation. Recognizing the importance of transitioning to sustainable energy sources, we have taken the initiative to install solar panels at our factory units. This transformative step aligns with our commitment to environmental sustainability, reduces carbon emissions, and fosters a greener future. The solar panels will generate clean and renewable electricity, significantly reducing greenhouse gas emissions. Our solar panel initiative, scheduled to commence in the upcoming financial year 2023-2024, not only benefits the environment but also proves economically advantageous.



Social



Employee Safety and Skill Development: All employees have received safety and skill upgradation training to ensure their well-being and professional growth.

Social Strategy in Place: We are committed to inclusive growth and equitable development, as reflected in its tagline "let us grow together." Continuous improvement in economic, environmental, and social performance is a key focus.

Product/Service Safety and Quality Metrics: Quality is paramount in Fineotex's Corporate Business Principles, with stringent tests and controls in place to ensure customization, superior performance, and customer satisfaction.

During the year, we have spent an amount of Rs. 98.00 Lakhs on CSR activities: As a socially responsible corporate, the Company has embraced various CSR activities. These CSR activities are undertaken through various trusts, organizations that are registered for the purpose of carrying CSR initiatives. During the year the Company has collaborated with organizations like Omkar Andh-Apang Samajik Sansthan, Agarwal Global Foundation, Round Table India Trust etc. for the purpose of fulfilling its CSR obligations. These organizations shoulder activities such as:

1. Setting up schools, playgrounds, hospitals, public health centers
2. Undertaking tree plantation drives
3. Innumerable CSR activities for the girl child, differently abled and old age homes like installation of sanitary pad dispenser, limb donation, food distribution at old age home etc.
4. Taking up Relief Work at affected areas and many more such activities.

Local Employment and Sourcing: Goods are sourced from local suppliers in Thane, Bhiwandi, and the Mumbai Metropolitan Region, while labor and other services are obtained from recognized and government-approved suppliers.

Community Support Initiatives: We have undertaken various community initiatives, such as providing education to the underprivileged, enabling them to earn an independent livelihood and become productive citizens of India. We also offer financial assistance and essential supplies like food, clothing, and medicine for the upkeep of homes catering to destitute, elderly, and retired individuals in need. Additionally, we organize rehabilitation programs for destitute and elderly individuals, providing cash assistance where possible. Furthermore, we support family planning centers, nursing homes, and operate eye banks, blood banks, and organ banks.



Accident-Free Year: No accidents were reported during FY23, reflecting the Company's strong commitment to employee safety and well-being.

Product Development: We have always been dedicated to enhancing our technologies and investing in research and development to meet a wide range of consumer needs and provide high-quality products. We have fostered a culture of excellence in R&D, enabling us to deliver sustainable products to our customers while maintaining an optimal price-performance ratio. Our relentless pursuit of innovation-driven growth has allowed us to increase the value of our brand. We are renowned for our unwavering commitment to quality and service, upholding a zero-tolerance policy for any compromise in these aspects.

Low Attrition Rates: We have maintained a low attrition rate of 6%, emphasizing its efforts to engage and inspire employees.

Training and Development: We consider our employees to be our most valuable asset and have a strong focus on keeping them engaged and inspired. Our current workforce structure reflects a well-balanced mix of employees at all levels. We recognize that the success of our business relies on effective coordination between our technical experts, research and development staff, and marketing team. To enable our employees to deliver productive and committed results, we provide them with necessary training and orientation.

Governance



Our focus is on maximizing the wealth of shareholders and establishing productive and lasting relationships with all shareholders.

Out of the 7 board members, 4 are Non-Executive Independent Members.

Corporate Governance Policies: Our philosophy on Corporate Governance is centered around maximizing shareholder wealth and fostering strong relationships with all shareholders, while fulfilling our responsibilities towards the community and society at large.

Board Composition and Skill Matrix: The Board consists of 7 members, including 2 Non-retiring Directors, 1 Promoter and Whole-time Director liable to retire by rotation, and 4 Independent Directors. Out of the 7 board members, 4 are Non-Executive Independent Members. The Board comprises qualified members who bring the required skills, competence, and expertise, enabling effective contributions to the Board and its Committees. This composition ensures a diverse range of perspectives and strengthens corporate governance practices.

Women Participation in the affairs of the Company: Fineotex promotes gender diversity and equal opportunities for women. We have made significant

strides in ensuring women's participation in all aspects of our affairs. The Board comprises of 2 Women Directors, including 1 Independent Director. Notably, Mrs. Bindu Shah, an Independent Woman Director, chairs the crucial Audit Committee and Nomination & Remuneration Committee. These initiatives demonstrate our commitment to embracing gender diversity, empowering women, and fostering a progressive and prosperous future.

Zero Penalties: In FY23, we incurred no penalties, punishments, or compounding of offences.

Shareholder Rights and Relations Policy: We have a Stakeholders Grievances Committee of the Board of Directors dedicated to addressing investors' grievances.

Director's Familiarization Programme: To foster effective corporate governance, we have implemented a comprehensive Director Familiarization Programme. This initiative equips directors with the knowledge, skills, and insights necessary to fulfill their responsibilities, make informed decisions, and contribute meaningfully to the company's strategic direction. The programme ensures continuous learning and engagement, enhancing the effectiveness of our board and promoting robust corporate governance practices.



AWARDS



Our Chairman, Mr Surendra Tibrewala, was awarded the "Hurun Industry Achievement Award 2022" by the Hurun Research Institute.

Dedicating over four decades to the company, he has established FCL as a leading multinational speciality chemical manufacturer with sustainability as a cornerstone of its success.



We are proud to receive the prestigious 'Business Excellence Awards 2022' under the category 'SME – Chemicals & Pharmaceuticals' by the Dun & Bradstreet Corporation.

This award is dedicated to our team, whose immense devotion and enthusiasm played a vital role in ensuring high standards of quality & sustainability in our products.

AWARDS



We are honoured to receive the prestigious 'Business Growth and Strategy Excellence Award' at the Exclusive CXO's Roundtable, Mumbai, on 23rd March 2023.

We are honoured to inform that we are celebrating the 2nd year of Great Place to Work® being certified!

Great Place to Work® is an organization that assesses workspace culture and helps companies gain better insights into their practices.

EVENTS



The Ludhiana DyeChem World Exhibition 2023 was a grand success, with a fantastic turnout! We thank all our associates, customers and team members for the tremendous support and effort to make this a spectacular event!



Our "Annual Sales Meet 2023" was a two-day event where our team had undergone sales training to improve performance and achieve our goals. This was a huge success, and we are eager to treat it as a springboard for further accomplishments.



What a great show! The BIOTEX Team greatly appreciates all who visited Techtextil this year in Atlanta!

ACHIEVEMENTS



We have successfully increased the production capacity of our total facility from 43,000 MT to 104,000 MT.

We thank our team for their dedication that has helped us achieve this significant milestone.



We are delighted to share our new and upgraded ratings by CRISIL (wef. 27th January 2023):

Long Term Rating: CRISIL A/Stable

Short Term Rating: CRISIL A1



We're thrilled to announce that our product, HG[®] BK has been approved and recognised in the United States of America!

We are excited to provide excellent, safe, effective, and cutting-edge functional chemical solutions to the US market.



We are really excited to announce a new door has opened for our business in the United States of America (US).

We sincerely look forward to providing the US market with premium, safe, effective and leading functional biotech treatments.



Fineotex goes for State-of-The-Art Sustainable Expansion at additional **Ambernath**.

Manufacturing capacity increased to 104,000 MTS annually and both facilities **GMP certified**



Fineotex setup R & D Centre in Collaboration with **Sasmira Institute**.



Expanded our Horizons at



INDIAN FACILITIES LOCATED AT MAHAPE, NAVI MUMBAI.

Trans Thane Creek industrial Area, Mahape, Navi Mumbai, Maharashtra.

The current production capacity is 36,500 MT p.a.



INDIAN FACILITIES LOCATED AT AMBERNATH, MUMBAI.

B-24, Anand Nagar, Additional M.I.D.C, Ambernath, Maharashtra.

The production capacity is 40,000 MT p.a. and plans to increase to 61,000 MT by 2022-23



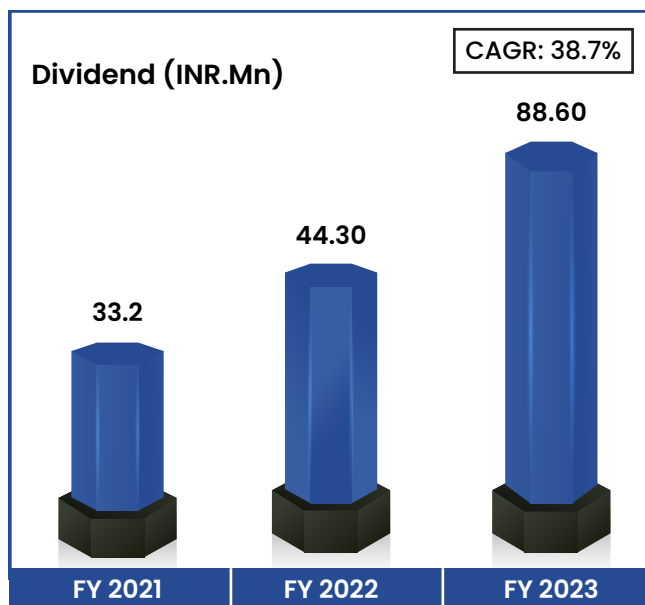
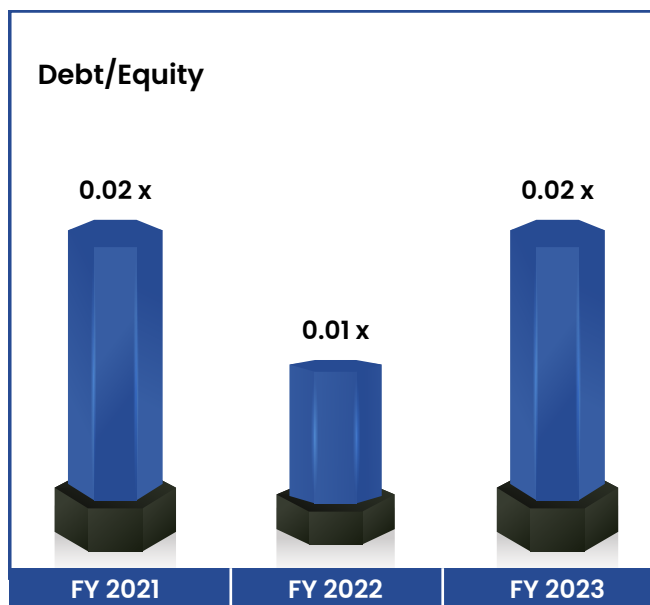
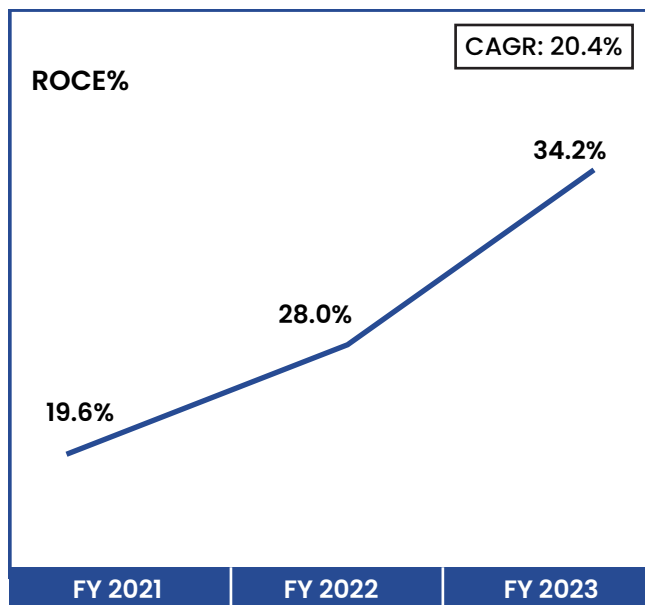
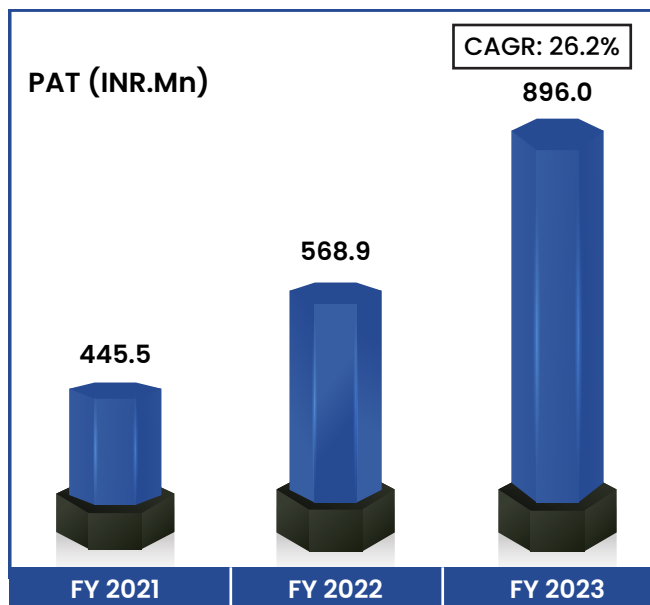
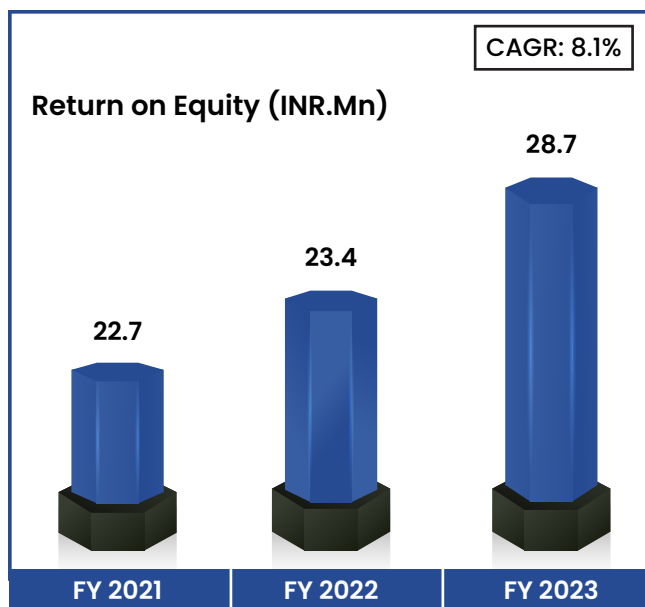
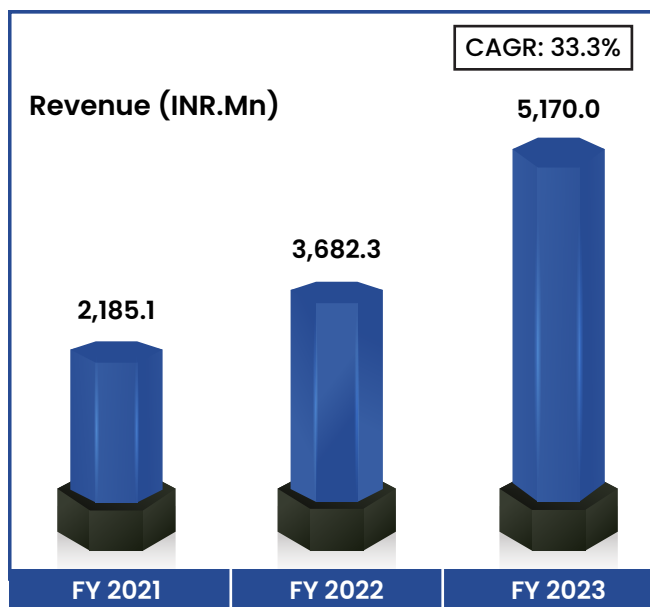
BT BIOTEX SDN BHD BIOTEX MALAYSIA CHEMICALS

No.9, Jalan BA/3, Kawasan Perusahaan Bukit Angkat, 43000 Kajang, Selangor, Malaysia

The Current Production Capacity Is 6,500 MT p.a.



Consolidated Financial Performance



Annual Report

2022-2023

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTIETH ANNUAL GENERAL MEETING (“AGM/ 20th AGM”)** of the members of **FINEOTEX CHEMICAL LIMITED (“the Company”)** will be held on **Friday, September 15, 2023 at 05.00 PM (IST)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following business:

ORDINARY BUSINESS

1. Adoption of Audited Standalone and Consolidated Financial Statements:

To receive, consider and adopt the audited standalone financial statements and audited consolidated financial statements of the Company for the financial year ended March 31, 2023, including balance sheet as at March 31 2023, the statement of profit and loss and cash flow statement for the financial year ended on that date together with the reports of the board of directors and the statutory auditors thereon.

2. To consider and declare final dividend for the financial year 2022-23:

“**RESOLVED THAT** pursuant to the recommendation made by the Board of Directors, a dividend at the rate of INR 0.80/- (Eighty Paise) per equity share of Rs. 2 each be and is hereby declared out of profits of financial year 2022-23 to the equity shareholders of the Company whose names appear in the Register of Members of the Company as on **September 08, 2023.**”

3. To re-appoint Mrs. Aarti Jhunjunwala (DIN: 07759722) as director, who retires by rotation and being eligible offers herself for re-appointment:

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution**

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, Mrs. Aarti Jhunjunwala (DIN: 07759722) who is liable to retire by rotation at the 20th Annual General Meeting and being eligible has offered herself for appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

4. Remuneration of Cost Auditors:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs. 45,000/- per annum (Rupees Forty Thousand only) plus

applicable taxes and reimbursement of travel and out of pocket expenses, to be paid to M/s. V. J. Talati & Co., Cost Accountants (Firm Registration No. R/00213), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2024.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by the board, be and is hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

5. Raising of funds through issue of equity shares:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Sections 23, 41, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014), including any amendment(s), statutory modification(s), or re-enactment(s) thereof for the time being in force and in accordance with the provisions of the memorandum of association and articles of association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the Foreign Exchange Management Act, 1999 and the regulations made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended, the Depository Receipts Scheme, 2014, the listing agreements entered into by the Company with the stock exchanges where the equity shares of face value of ₹ 2 each of the Company are listed (“**Stock Exchanges**”), and such equity shares, (the “**Equity Shares**”), and other applicable laws, regulations, rules, notifications or circulars issued by the Ministry of Finance, Ministry of Corporate Affairs (“**MCA**”), Reserve Bank of India (“**RBI**”), Securities and Exchange Board of India (“**SEBI**”), Stock Exchanges, Registrar of Companies, Maharashtra at Mumbai (“**RoC**”), the Government of India (“**GOI**”) and such other governmental / statutory / regulatory authorities in India or abroad, and subject to all approvals, permissions, consents, and/or sanctions as may be necessary or required from SEBI, the Stock Exchanges, RBI, MCA, GOI, RoC, or any other concerned governmental/statutory/regulatory authority in India or abroad, and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and/or sanctions by any of the aforesaid authorities, which may be agreed to by the Board of Directors of the Company (“**Board**”), which term shall include any committee which the Board of Directors may have constituted or may hereinafter constitute to exercise

its powers, including the powers conferred by this resolution), the approval of the Members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorised on behalf of the Company, to create, offer, issue, and allot such number of Equity Shares, and/or any other equity linked securities (the Equity Shares and all such other securities are hereinafter collectively referred to as the “**Securities**”), through one or more of the permissible modes including but not limited to private placement, follow-on public offering (“**FPO**”), preferential issue, qualified institutions placement (“**QIP**”) in accordance with the SEBI ICDR Regulations, or a combination thereof, to any eligible investors in Indian Rupees or its equivalent of any other foreign currencies (whether or not such investors are Members of the Company, to all or any of them, jointly or severally), for cash, in one or more tranches, for an aggregate amount of up to ₹ 300 crore (inclusive of such discount or premium to market price or prices permitted under applicable law), on such other terms and conditions as may be mentioned in the prospectus and/or offer document and/or placement document to be issued by the Company in respect of the Issue, as permitted under applicable laws and regulations, at such price, in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion, considering the prevailing market conditions and/or other relevant factors, and wherever necessary, in consultation with the book running lead managers and/or other advisors appointed by the Company and the terms of the issuance as may be permitted by SEBI, the Stock Exchanges, RBI, MCA, GOI, ROC, or any other concerned governmental/statutory/ regulatory authority in India or abroad, together with any amendments and modifications thereto (“**Issue**”).

RESOLVED FURTHER THAT subject to the provisions of the SEBI ICDR Regulations, in the event the Issue is undertaken by way of a QIP:

- (i) the allotment of Securities shall only be to qualified institutional buyers as defined in the SEBI ICDR Regulations (“**QIBs**”);
- (ii) The allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution or such other time as may be allowed under the Companies Act, 2013 and/or SEBI ICDR Regulations, from time to time;
- (iii) The relevant date for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or a duly authorised committee decides to open the proposed QIP;
- (iv) The Securities (excluding warrants) shall be allotted as fully paid up;
- (v) The issuance and allotment of the Securities by way of the QIP shall be made at such price that is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (“**Floor Price**”), and the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the SEBI ICDR Regulations, as may be applicable.

However, subject to shareholders’ approval, the Board, at its absolute discretion, may offer a discount, of not more than 5% or such other percentage as may be permitted under applicable law, on the Floor Price;

- (vi) The Securities shall not be eligible to be sold by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolution, the Securities to be created, offered, issued, and allotted shall be subject to the provisions of the memorandum and articles of association of the Company and any Equity Shares that may be created, offered, issued and allotted under the Issue or allotted upon conversion of the equity linked instruments issued by the Company shall rank pari-passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted under the Issue or to be allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the Issue. All such Equity Shares shall rank pari-passu with the existing Equity Shares in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, approval of the Members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized on behalf of the Company to do such acts, deeds, matters and take all steps as may be necessary including without limitation, the determination of the terms and conditions of the Issue including among other things, the date of opening and closing of the Issue, the class of investors to whom the Securities are to be issued, determination of the number of Securities, tranches, issue price, finalisation and approval of offer document, placement document, preliminary or final, interest rate, listing, premium/discount, permitted under applicable law (now or hereafter), conversion of Securities, if any, redemption, allotment of Securities, listing of securities at Stock Exchange(s) and to sign and execute all deeds, documents, undertakings, agreements, papers, declarations and writings as may be required in this regard including without limitation, the private placement offer letter (along with the application form), information memorandum, disclosure documents, the placement document or the offer document, placement agreement, escrow agreement and any other documents as may be required, approve and finalise the bid cum application form and confirmation of allocation notes, seek any consents and approvals as may be required, provide such declarations, affidavits, certificates, consents and/or authorities as required from time to time, finalize utilisation of the proceeds of the Issue, give instructions or directions and/or settle all questions, difficulties or doubts

that may arise at any stage from time to time, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the MCA, the book running lead manager(s), or other authorities or intermediaries involved in or concerned with the Issue and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the Members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to this resolution may be exercised by the Board to that end and intend that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to approve, finalise, execute, ratify, and/or amend/modify agreements and documents, including any power of attorney, lock up letters, and agreements in connection with the appointment of any intermediaries and/or advisors (including for marketing, listing, trading and appointment of book running lead managers/legal counsel/bankers/ advisors/ registrars/and other intermediaries as required) and to pay any fees, commission, costs, charges and other expenses in connection therewith.

RESOLVED FURTHER THAT subject to applicable law, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things and also to execute such documents, writings etc., as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any of the Directors of the Company or the Company Secretary of the Company or any official in the grade of Chief Manager or above of Secretarial Department, signed physically or by digital means, be forwarded to the authorities concerned for necessary action.

6. Contract with Related Parties:

To consider and if thought fit to pass the following resolution with or without modification(s), as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (**“the Act”**) and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“LODR”**) (Including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members be and is hereby accorded to the Board of Directors of Company (hereinafter referred to as the **‘Board’**, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to enter into and/or continue with the existing contract(s)/arrangements / transaction(s) and/or carry out new contract(s)/arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned), as may be appropriate, with the following Related Parties of the company as defined under Section 2(76) of the Companies Act, 2013 and regulation 2(1)(zb) of the SEBI LODR Regulation, 2015 for sell, purchase, transfer or receipt of products, goods, materials, services or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and any of the Related Parties, for the amount in aggregate not exceeding as mentioned against the name of each of the following Related Party during the period mentioned against the name of each Related Party subject to subject to such contract(s)/arrangement(s)/ transaction(s) being carried out at arm’s length and in the ordinary course of business of the company:

Sr N.	Related Parties with whom Transactions are Estimated	Nature of the Transaction	Amount for which approval sought for transactions from 1st April 2024 to 31st March, 2029	Relationship
1	Kanaklata Tibrewala	Lease of Factory/Office Premises	Rent upto Rs. 3,00,000 (Three) Lakh per month per property. Deposit of upto Rs. 30,00,000 (Thirty) Lakh per property.	Wife of Mr. Surendra Tibrewala and Mother of Mr. Sanjay Tibrewala and Mrs. Aarti Jhunjunwala
2	Surendrakumar Tibrewala	Lease of Factory/Office Premises	Rent upto Rs. 2,00,000 (Two) Lakh per month per property. Deposit of upto Rs. 20,00,000 (Twenty) Lakh per property.	Father of Mr. Sanjay Tibrewala and Mrs. Aarti Jhunjunwala
3	Sanjay Tibrewala	Lease of Factory/Office Premises	Rent upto Rs. 2,00,000 (Two) Lakh per month per property. Deposit of upto Rs. 20,00,000 (Twenty) Lakh per property.	Son of Mr. Surendra Tibrewala and Brother of Mrs. Aarti Jhunjunwala
4	Fineotex Specialities Private Limited	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	Rs. 50,00,00,000 (Fifty) Crores per annum	Wholly owned Indian Subsidiary

Sr N.	Related Parties with whom Transactions are Estimated	Nature of the Transaction	Amount for which approval sought for transactions from 1st April 2024 to 31st March, 2029	Relationship
5	Fineotex Specialities Private Limited	Lease of Factory/Office Premises	Rent upto Rs. 20,00,000 (Twenty) Lakh per month per property. Deposit of upto Rs. 1,00,00,000 (One) Crore per property.	Wholly owned Indian Subsidiary
6	Manya Manufacturing India Private Limited	Investments/Loans/ advances deposits etc. Sale/ Purchase of goods and services of all kinds and also dispose of the Company's investment partly or fully and also acquisition of the Company	Rs. 10,00,00,000 (Ten) Crores per annum.	Wholly owned Indian Subsidiary
7	Manya Manufacturing India Private Limited	Lease of Factory/Office Premises	Rent upto Rs. 2,00,000 (Two) Lakh per month per property. Deposit of upto Rs. 1,50,00,000 per property.	Wholly owned Indian Subsidiary
8	Kamal Chemicals Private Limited	Sale/Purchase of goods & Services of all kinds, Giving Loans & advances for business purpose including acquisition of the Company	Rs. 20,00,00,000 (Twenty) Crores per annum.	Mr. Surendrakumar Tibrewala is the Director and shareholder along with his relatives
9	Proton Biochem Private Limited	Sale/Purchase of goods & Services of all kinds, Giving Loans & advances for business purpose including acquisition of the Company	Rs. 10,00,00,000 (Ten) Crores per annum.	Mr. Sanjay Tibrewala is the Director and shareholder along with his relatives
10	Fineotex Malasiya Limited	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	Rs. 20,00,00,000 (Twenty) Crores per annum.	Wholly owned Foreign Subsidiary
11	BT Biotex SDN BHD	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	Rs. 20,00,00,000 (Twenty) Crores per annum.	2nd Tier Foreign Subsidiary
12	BT Chemicals SDN BHD	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	Rs. 30,00,00,000 (Thirty) Crores per annum.	2nd Tier Foreign Subsidiary
13	Rovatex SDN BHD	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	Rs. 20,00,00,000 (Twenty) Crores per annum	2nd Tier Foreign Subsidiary
14	BT Biotex Limited-RAK ICC	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	Rs. 10,00,00,000 (Ten) Crores per annum	Wholly owned 2nd Tier Foreign Subsidiary
15	Fineotex Biotex Healthguard FZE	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	Rs. 10,00,00,000 (Ten) Crores per annum	Wholly owned Foreign Subsidiary

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents and to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

By Order of the Board
For Fineotex Chemical Limited

Sd/-
Surendrakumar Tibrewala
 Chairman & Managing Director
 DIN: 00218394

Place: Mumbai
 Date: August 4, 2023

ANNEXURE TO THE NOTICE

1. The Ministry of Corporate Affairs, Government of India (“MCA”) has vide its circular dated 28 December 2022, read with circulars dated 13 January 2021, 5 May 2020, 13 April 2020 and 8 April 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting through Video Conferencing facility/ Other Audio Visual Means (“VC/OAVM”), on or before 30 September 2023, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars the 20th AGM of the Company is being held through VC/OAVM.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 4, 5 and 6 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The Company has fixed Friday, Septmeber 08, 2023 as the “**Record Date**” for determining entitlement of Members to final dividend for the financial year ended March 31, 2023, if approved at the AGM.
4. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or after September 20, 2023 as under:
 - (i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of end of day on Friday, September 08, 2023;
 - (ii) To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Friday, September 08, 2023.
5. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,:
 - a) For shares held in electronic form: to their Depository Participants (DPs)
 - b) For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/ MIRSD_RTAMB/P/CIR/2021/655dated November 3, 2021. The Company has sent letters for furnishing the required details.
6. In terms of the provisions of Section 152 of the Act, Mrs. Aarti M Jhunjhunwala, Director, retire by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommend her re-appointments. Mrs. Aarti Jhunjhunwala is interested in the Ordinary Resolutions set out at Item No. 3, of the Notice with regard to her re-appointment. Mr. Surendrakumar Tibrewala and Mr. Sanjay Tibrewala may be deemed to be interested in the resolution. The other relatives may be deemed to be interested in this resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business’.
7. **Updation of Record, KYC and Other Queries:**
 - i. Members are requested to direct notifications about change of name / address, email address, telephone / mobile numbers, PAN, Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to M/s Bigshare Services Pvt. Ltd., Registrar and Share Transfer Agents (RTA) of the Company in case the shares are held in physical form.
 - ii. SEBI vide its Circulars dated November 3, 2021 and December 14, 2021, has mandated furnishing of PAN, KYC details and Nomination / opt out of Nomination, by holders of physical securities. Folios wherein any one of the abovementioned details are not registered by October 1, 2023 shall be frozen. The concerned Members are therefore urged to furnish PAN, KYC and Nomination/ opt out of Nomination by submitting the prescribed forms duly filled and signed by sending a physical copy of the prescribed forms to M/s Bigshare Services Pvt. Ltd
 - iii. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail

- various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Company's Registrar and Share Transfer Agent, M/s. Bigshare Limited for assistance in this regard.
- iv. Members may please note that SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18th May 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of the Company and RTA.
 - v. 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 Depository Participant and holdings should be verified from time to time.
8. As per the provisions of Section 72 of the Companies Act, 2013 and SEBI Circular, 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. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://fineotex.com/investor-relation/>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to FCL in case the shares are held in physical form.
 9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
 10. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, September 08, 2023 through email on investor.relations@fineotex.com. The same will be replied by the Company suitably.
 11. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 09th September, 2023 to Friday, 15th September, 2023 (both days inclusive) for the purpose of Annual General Meeting.
 12. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.
 13. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13 2022, and MCA Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent through electronic mode to those members whose email addresses are registered with Company/Depositories unless any Member has requested for a physical copy of the same. Notice and Annual Report 2022-23 will also be available on the Company's website www.fineotex.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL <https://www.evoting.nsdl.com>. Any member desirous of obtaining the hard copy of the Annual Report for the financial year 2022-23, may send request to the Company's email address at investor.relations@fineotex.com mentioning the Folio No. /DP ID and Client ID.
 14. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Companies Act, 2013.
 15. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their valid PAN with the DPs (if shares held in dematerialized form) and the Company/FCL (if shares are held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to investor.relations@fineotex.com by 11:59 p.m. IST on Friday, September 08, 2023. Shareholders are requested to note that in case their PAN is not registered, or having invalid PAN or Specified Person as defined under section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable.

Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document

which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF/JPG Format) by e-mail to investor.relations@fineotex.com The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on Wednesday, September 06, 2023.

16. Payment of Dividend through electronic means:

(a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code), along with their

Folio Number and original cancelled cheque leaf bearing the name of the first-named shareholder as account holder, to the Company's Registrar and Share Transfer Agent - Bigshare Services Pvt. Ltd.

- (b) Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants.
- (c) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the respective Depository Participant of the Members.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

1. The Ministry of Corporate Affairs, Government of India (“MCA”) has vide its circular dated 28 December 2022, read with circulars dated 13 January 2021, 5 May 2020, 13 April 2020, 8 April 2020 and all other relevant circulars issued from time to time (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting through Video Conferencing facility/ Other Audio Visual Means (“VC/OAVM”), on or before 30 September 2023, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars the 20th AGM of the Company is being held through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the 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.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.fineotex.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. The Board of Directors has appointed Mr. Hemant Shetye (Membership No. FCS 2827) M/s. HSPN and Associates, LLP, Company Secretaries as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, September 12, 2023 at 09.00 AM (IST) and ends on Thursday, September 14, 2023 at 05.00 PM (IST). 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. Friday, September 08, 2023, 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 Friday, September 08, 2023.

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"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com 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 & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 10px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. 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 evoting 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 & 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
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 evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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?

- 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.
- 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, 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.
- 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***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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 email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email 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 email ID is not registered, please follow steps mentioned below in process for those shareholders whose email 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.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on 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 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 for which you wish 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 hs@hspnassociates.in with a copy marked to evoting@nsdl.co.in. 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 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 or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Prajkata Pawle at evoting@nsdl.co.in / prajaktap@nsdl.com

Process for those shareholders whose email 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 investor.relations@fineotex.com.

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 investor.relations@fineotex.com. If you are an Individual shareholders 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 shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. 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 required to update their mobile number and email 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 investor.relations@fineotex.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ Folio number, PAN, mobile number at investor.relations@fineotex.com from Friday, September 01, 2023, 09.00 AM (IST) to Friday, September 08, 2023, 05.00 PM (IST). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

By Order of the Board
For Fineotex Chemical Limited

Sd/-
Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

Place: Mumbai
Date: August 04, 2023

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Pursuant to Section 102 of the Companies Act, 2013 (“the Act”), the following Explanatory Statement sets out all material facts relating to the business, to be transacted at the 20th Annual General meeting to be held on Friday, September 15, 2023, mentioned under Item Nos. 4 to 6 of the accompanying Notice dated August 4, 2023.

Item No. 4 – Remuneration to Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records for applicable products of the Company. On the recommendation of the Audit Committee, at its meeting held on 20th May, 2023, the Board considered and approved the appointment of M/s. V.J. Talati & Co., Cost Accountants (Firm Registration No. R/00213) as the Cost Auditor for the fiscal year 2023-24 at a remuneration of Rs. 45,000/- per annum plus applicable taxes and reimbursement of out-of-pocket expenses.

Further the Company has received their eligibility and consent to act as cost auditor.

The Board of Directors recommends the Ordinary Resolution for the approval of the shareholders.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, concerned with or interested in, financially or otherwise, in the said resolution.

Items No. 5 - Raising funds through issue of equity shares:

The Company, on an ongoing basis, evaluates opportunities for organic and inorganic growth. To fund such plans it has to raise funds. These funds are required for various purposes like capital expenditure as well as for working capital. The funds are to be raised from various lenders which may vary as per the type of project. The Company had sought your approval for the raising the funds requirements last year. The approval is valid for till the Annual General Meeting to be held in the year 2023. The Company has decided not to go in for the raising of funds now due to the various and conflicting opinions. Hence to avoid ambiguity and comply with the governance requirements, the Company has decided to let the resolution of last year lapse and request the shareholders to approve the resolution for this year. The details are given below.

Therefore, the Company proposes to have an enabling approval for raising of funds for an amount up to ₹ 300 Crore in one or more tranches, on such terms and conditions as it may deem fit, by way of issuance of equity shares and/or any equity linked securities (“Securities”) through any permissible mode or combination of, including but not limited to a preferential issue, qualified institutions placement, private placement, and/or follow-on public offering. The issue of securities may be consummated in one or more tranches at such time or times at such price and to such classes of investors as the Board (including any duly authorized committee thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed, subject, however, to the SEBI ICDR Regulations, the Depository Receipts Scheme, 2014,

and other applicable guidelines, notifications, rules and regulations.

The Board (including any duly authorized committee thereof) may in their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company (except in case of a preferential issue, where necessary corporate approvals shall be obtained). The proposed issue of capital is subject to the approvals of the Reserve Bank of India, if any and applicable regulations issued by the Securities and Exchange Board of India, each to the extent applicable, and any other government/statutory/regulatory approvals as may be required in this regard in India or abroad.

In case the issue is made through a qualified institutions placement: (a) the allotment of the Securities shall be completed within a period of 365 days from passing this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time; and (b) the pricing of the Securities that may be issued to qualified institutional buyers pursuant to a qualified institutions placement shall be determined by the Board in accordance with the regulations on pricing of securities prescribed under the SEBI ICDR Regulations. The resolution enables the Board to offer such discount as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount, of not more than 5% or such percentage as permitted under applicable law, on the floor price determined pursuant to the SEBI ICDR Regulations (not be less than the average of the weekly high and low of the closing prices of the equity shares quoted on a stock exchange during the two weeks preceding the ‘Relevant Date’, less a discount of not more than 5%). The ‘Relevant Date’ for this purpose would be the date when the Board or a duly authorized committee of the Board decides to open the qualified institutions placement for subscription, if Equity Shares are issued, or, in case of issuance of convertible securities, the date of the meeting in which the Board decides to open the issue of the convertible securities as provided under the SEBI ICDR Regulations.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

The Equity Shares to be allotted would be listed on one or more stock exchanges in India and in case of an ADR, internationally. The offer/issue/allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Section 62(1)(a) of the Act provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity shares shall be offered to the existing Members of such company in the manner laid down therein unless the Members by way of a special resolution decide otherwise. Since the Special Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Company to persons other than existing Members of the Company, approval of the Members is also being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board, therefore, recommends the special resolution, as set forth in this Notice, for approval by the Members of the Company.

The Directors and Key Managerial Personnel of the Company and relatives thereof may be deemed to be concerned or interested in the passing of resolution to the extent of securities issued/allotted to them or to the companies in which they are directors or members. Save as aforesaid, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

This Notice does not constitute an offer or invitation or solicitation of an offer of securities to the public within or outside India. Nothing in this Notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorized or where it is unlawful to do so.

This announcement is not an offer of securities for sale in the United States. Any securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or any United States state securities laws, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable United States state securities laws. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States.

Your Directors recommends passing of this resolution by way of a **Special Resolution**.

Items No. 6 – Contract with Related Parties:

The Company had entered into similar contracts / agreements for the same as per Section 188 of the Companies Act, 2013. These were approved by the members in the earlier years and such approval was valid for a period of 5 years till March 2024. These contracts/ agreements are in line with the disclosures in the financial statements in previous years.

The approval is now sought for entering into transactions with the related parties subject to the procedure laid down by the Companies Act, 2013, SEBI regulation and other laws as applicable for a further period of 5 years starting from April 01, 2024.

As per the provisions of section 188 of Companies Act, 2013, these agreements / contracts require your approval for the same. The Board recommends your approval.

Mr. Surendrakumar Tibrewala, Chairman & Managing Director, Mr. Sanjay Tibrewala, Executive Director and Chief Financial Officer and Mrs. Aarti Jhunjhunwala, Executive Director are interested in this resolution.

None of the other Board Members or Key Managerial personnel or their relatives are interested in the resolution set out at Item No. 6.

Your Directors commend passing of this resolution by way of a **Special Resolution**.

By Order of the Board
For Fineotex Chemical Limited

Sd/-
Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

Place: Mumbai
Date: August 4, 2023

Details of Directors seeking appointment /reappointment at the 20th Annual General Meeting pursuant to Secretarial Standards on General Meetings (SS-II) and Regulation 36(3) of LODR

S.N.	Particulars	Reappointment of Mrs. Aarti Jhunjunwala as Director
1	Name of the Director	Aarti Jhunjunwala
2	Director Identification Number	07759722
3	Date of Birth/ Age	24/01/1983 (40 years)
4	Date of First Appointment	14/08/2018
5	Expertise in General Specified Area	Rich and Varied experience in International Business
6	Qualifications	Masters in Accounts and Taxation
7	Experience	Mrs. Aarti Jhunjunwala is a second-generation entrepreneur who has worked in the specialized chemical industry for over 15 years. She has several years of experience working in the family business and has a deep understanding of the products and markets in which it operates. Over the years, she has played a major role in the company's growth, overseeing various functions such as business development, sales, branding, strategy, and new growth initiatives. She has actively pursued global strategic alliances allowing the company to benefit from its leading-edge technologies and cleaner processes.
8	Terms and Conditions for appointment	As per the Service Agreement entered by and between the Company and the said Director
9	Shareholding in the Company	81,050 equity shares
10	Relationship with Directors	Daughter of Mr. Surendrakumar Tibrewala and Sister of Mr. Sanjay Tibrewala
11	Total No of Board meeting attended during the year 2022-2023	6/6
12	Directorship in other Public Limited Company as on March 31, 2023	Nil
13	Chairmanship/Membership of Committees of the Board of Directors of the Company	Member of Whistleblowing Committee
14	Chairmanship/Membership of Committees of other Indian Public Limited Companies	Nil

DIRECTORS' REPORT

Dear Members,

Your Board of Directors ("the Board") take pleasure in presenting the Board's Report as a part of the 20th Annual Report of your Company ("the Company" or "FCL"), together with the Audited Financial Statements (Standalone and Consolidated) and the Auditors' Report thereon for the financial year ended 31st March 2023.

1. HIGHLIGHTS

The Financial Year 2022-23 has been a yet another milestone year for Fineotex Chemical Limited. We saw the turnover boost over Financial Year 2021-22 signifying the increase in our market share. This is the result of persistent policy pursued by the Company to provide customised business solutions to our customers and this has led to an increase in our product basket while simultaneously increasing our market share. This high growth category will result in higher margins. The performance reiterates the essence of our mission and our capabilities to be an effective customized solution provider along with traditional specialty chemicals. The performance reiterates the essence of our mission and our capabilities to be an effective solution provider in addition to a dependable functionary in the customers supply change. These results have now become a benchmark for us, motivating us to actively pursue new opportunities. Moving forward, we remain dedicated to diversifying our customer portfolio and expanding our product range across business segments. Our commitment to growth and innovation drives us to continuously strike excellence in meeting the evolving needs of the customers.

2. FINANCIAL RESULTS

(Rs. in Lakhs)

	Standalone		Consolidated	
	Year ended 31-03-2023	Year ended 31-03-2022	Year ended 31-03-2023	Year ended 31-03-2022
Total Income	30,620.61	25,621.81	52,430.02	37,374.84
Less: Expenditure	23,849.81	19,946.10	40,950.14	30,046.04
Profits before Tax	6,770.80	5,675.71	11,479.88	7,328.80
Less: Income Tax Expense	1,568.87	1,277.72	2,524.40	1,639.83
Profit after Tax	5,201.93	4,397.99	8,955.48	5,688.97
Other Comprehensive Income (net of tax)	0.26	(5.42)	0.26	(5.42)
Total Comprehensive Income	5,202.19	4,392.57	8,955.74	5,683.55

Attributable to

a. Owners of the Company	5202.19	4392.57	8,831.84	5,512.02
b. Non Controlling Interest	Nil	Nil	123.90	171.53

i) Financial Performance – Standalone:

The Company achieved total revenue from operations of Rs. 29,555.04 Lakhs for the year ended 31st March, 2023 as against Rs. 25,007.90 Lakhs for the year ended 31st March, 2022 representing an increase of 18.18% because of increase in volume, average realization and change in product mix. During the financial year 2022-23, the Company earned a profit after tax of Rs. 5201.93 Lakhs as compared to Rs. 4397.99 Lakhs in the previous year

ii) Financial Performance – Consolidated

On consolidated basis the total revenue from operation of Rs. 51,699.56 Lakhs for the year ended 31st March, 2023 as against Rs. 36,823.29 Lakhs for the year ended 31 March 2022 representing an increase of 40.40%. During the financial year 2022-23, the Company earned a profit after tax of Rs. 8955.48 Lakhs as compared to Rs. 5688.97 Lakhs in the previous year.

The above data has been extracted from the Audited Standalone and Consolidated Financial Statements prepared in accordance with the Indian Accounting Standards (Ind AS), as notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards Rules 2015) and the relevant provisions of the Act, as applicable.

3. DIVIDEND

The Board has recommended a dividend of Rs. 0.80 (Eighty Paise) per equity share having face value of Rs. 2 each for the financial year ended 31st March 2023 (Dividend for financial year 2021-22 Rs. 0.40 per equity share of Rs. 2 each) at a total payout of Rs. 885.98 Lakhs out of its current profits, subject to the approval of Members at the ensuing Annual General Meeting (hereinafter referred to as 'AGM') of the Company.

The Register of Members and Share Transfer Books of the Company will remain closed for the purpose of payment of dividend for the financial year ended 31st March 2023 and the AGM. In compliance with the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has formulated a Dividend Distribution Policy, which is available on the website of the Company at <https://fineotex.com/wp-content/uploads/2021/08/Dividend-Distribution-Policy.pdf>

Pursuant to the provisions of Income-tax Act, 1961, the dividend paid or distributed by a company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, your Company shall make the payment of the dividend after necessary deduction of tax at source at the prescribed rates, wherever applicable. For the prescribed rates for various categories, the shareholders are requested to refer to the Income Tax Act, 1961 and amendments thereof.

4. RESERVES AND SURPLUS

During the current financial year, the Company has not transferred any amount to the General Reserves.

5. OPERATIONAL PERFORMANCE

With the expansion of our Ambernath plant capacity to an impressive 1,04,000 MTPA, the Company is now well equipped to not only meet the demands of the new product contracts but also anticipate and fulfill future orders with utmost efficiency. The increased capacity of the plant signifies a significant milestone in the company's growth strategy. By ramping up production capacity, the Company has enhanced the ability to cater to a broader range of market demands and seize new business opportunities. With this expansion, the Company has positioned itself as a reliable and trusted partner for the customers and ensuring that it can deliver on their evolving needs both now and in the foreseeable future.

The Company has been focused on sustainable growth and maximizing shareholders' wealth. It has been included in the prestigious NIFTY Micro- Cap Index and Morgan Stanley Small Cap Index (MSCI). This recognition reflects Company's strong performance and market presence in the micro-cap segment. The Board is pleased to share that your company has entered the A group category of listed companies. This reclassification underscores Company's financial stability, transparency and adherence to regulatory standards, enhancing our visibility among investors.

Awards & Recognition:

- The Company has received the prestigious **"Business Excellence Awards 2022"** under the category 'SME-Chemicals & Pharmaceuticals' by Dun & Bradstreet Corporation.
- The Company is honored with **"Business Growth and Strategy Excellence Award"** at the Exclusive CXO's Roundtable, Mumbai
- The management is thrilled to inform that Company has been certified as **"Great Place to Work"** for the 2nd consecutive time.
- During the year Mr. Surendra Tibrewala, Chairman of the Company has been awarded with **"Hurun Industry Achievement Award 2022"** by the Hurun Research Institute.
- Mrs. Aarti Jhunjhunwala, Executive Director of the Company has been awarded with the **'Women at Work Leadership Award'** at the thirteenth annual Asia Pacific HRM Congress Awards, presented by Times Ascent.

6. SHARE CAPITAL

During the current financial year there has been no change in the paid up capital of the Company. The Share Capital of the Company, at the beginning of the year as well as at the end of the year i.e. as on 31st March 2023 stands at Rs. 2,214.97 Lakhs divided into 11,07,48,420 equity shares of Rs. 2/- each. There has been no change in the outstanding share capital during the year.

7. EMPLOYEES SHARE OPTION SCHEME 2020

Your Company has adopted its Employees Stock Option Scheme-FCL-ESOP-2020 for granting options to eligible employees of

your Company as approved by the Members of your Company at the 17th Annual General Meeting held on 29th September, 2020.

The scheme is governed are governed by the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in terms of the approvals granted by the shareholders of the Company, the Nomination and Remuneration Committee inter alia administers, implements and monitors the aforesaid schemes.

During the year the Nomination and Remuneration Committee at its meeting held on November 04, 2022 approved a fresh grant of 8,000 stock options to the employee of the Company. The total number of options outstanding as on March 31, 2023 are 49,511 stock options.

A certificate from the Secretarial Auditor of the Company, confirming that the aforesaid scheme have been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, will be open for inspection at the 20th Annual General Meeting of the Company.

8. SUBSIDIARIES

The details and performance of the subsidiary companies is provided below:

a. Foreign Subsidiaries:

Fineotex Malaysia Limited (FML), a Limited Company, was incorporated in a free trade zone in Labaun, Malaysia in 2011. FML in turn has controlling interest in three other companies in Malaysia that have established manufacturing and trading activities these Companies are BT Biotex SDN BHD, BT Chemicals SDN BHD and Rovatex SDN BHD. The synergy of the businesses has helped all the companies. BT Chemicals SDN BHD qualifies as a material subsidiary as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The BT Chemicals SDN BHD has declared the final dividend to its holding company during the financial year 2022-23.

On 10th November, 2020, FML incorporated a wholly owned subsidiary -BT Biotex Limited, UAE with an initial investment of US\$ 10,000.

Fineotex Specialties FZE was incorporated in the region of UAE on 25th January 2015 and operates in a free zone in UAE. It has been renamed as Fineotex Biotex Healthguard FZE after the strategic alliance with HealthGuard.

b. Indian Subsidiaries:

The Company incorporated a wholly owned subsidiary named Fineotex Specialities Private Limited on 5th September, 2020 with an investment of Rs. 100 lakhs to the Equity Capital, it has commenced operations from the 9th November, 2021 and it has contributed a standalone turnover of Rs. 16217.56 lakhs and a net profit before tax of Rs. 4616.57 lakhs as on 31st March 2023. Fineotex Specialities Private Limited also qualifies as a material

subsidiary in the financial year 2023-24 as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Manya Steels Private Limited is the Indian Wholly Owned Subsidiary. It was acquired for diversification. It is not a material subsidiary as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The details of the subsidiaries have been described in brief in the Corporate Governance Report which forms an integral part of this report.

Further, pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of subsidiary companies in Form AOC-1 is attached to the financial part of this report.

The separate audited financial statements in respect of each of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting.

9. CREDIT RATING

The Company has obtained Credit Rating of its various credit facilities and instruments from ICRA Limited and CRISIL Ratings Limited. ICRA Limited has provided Long Term Rating (A) and Short Term Rating (A1) to the bank facilities of the Company. Further during the year, CRISIL has upgraded their ratings on the bank facilities of the Company. The long term ratings has been upgraded from CRISIL A-/Stable to CRISIL A/Stable and short term ratings has been upgraded from CRISIL A2+ to CRISIL A.

10. FINANCE AND CAPITAL EXPENDITURE

The Company's finance position continues to be robust. During the year under review, the cash generation from operations reflect a positive contribution. This has been the Company's philosophy throughout and can be vouched over the years. The Company is a zero debt company. The borrowings are taken for short term requirements so that the investment portfolio is not abruptly disturbed. The Company has made substantial investment of Rs. 1907.22 Lakhs to increase its manufacturing activities and the same are financed from internal accruals/resources which were held as investments which is reflected in the Cash Generated from investing activities of the Cash Flow statement for the year ended 31st March, 2023.

11. MAJOR CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION AFTER THE YEAR END AND TILL THE DATE OF THIS REPORT

There were no material changes and commitments that occurred after the close of the year till the date of this Report, which affected the financial position of the Company.

During the year under review, there was no change in the nature of the business of the Company.

12. INTERNAL FINANCIAL CONTROLS SYSTEM AND THEIR ADEQUACY

Your Company has laid down adequate internal financial controls and checks which are effective and operational. These systems are designed in a manner which provides assurance with regard to maintenance of strict accounting control, optimum efficiency in operations and utilization of resources as well as financial reporting, protection of Company's tangible and intangible assets and compliance with policies, applicable laws, rules and regulations. The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior Executives of the Company responsible for financial management and other affairs. The Audit Committee evaluates the internal control systems and checks & balances for continuous updation and improvements therein. The Audit Committee also regularly reviews and monitors the budgetary control system of the Company as well as the system for cost control, financial controls, accounting controls, physical verification, etc. The Audit Committee regularly observes that proper internal financial controls are in place including with reference to financial statements. During the year, such controls were reviewed, and no reportable material weakness was observed.

13. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for the year ended 31st March 2023, have been prepared in accordance with the Indian Accounting Standards (IND AS) 110 - "Consolidated Financial Statements" as notified by Ministry of Corporate Affairs and as per the general instructions for preparation of Consolidated Financial Statements given in Schedule III and other applicable provisions of the Act, and in compliance with the SEBI Listing Regulations. The financial statements of the subsidiaries and the related detailed information will be made available to the shareholders of the Company seeking such information.

The Audited Consolidated Financial Statements along with the Auditors' Report thereon forms part of the Annual Report.

14. PUBLIC DEPOSITS, LOANS AND ADVANCES

During the financial year 2022-23, the Company has not accepted any deposits from public within the meaning of Section 73 and Section 74 of the Act, therefore the disclosure pursuant to Rule 8 (5)(v) & (vi) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

15. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) of the SEBI (LODR) Regulations, 2015, on the operations of the Company as prescribed under Schedule V, is presented in a separate section forming part of the Annual Report Annexed as "Annexure - 1".

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given to the extent applicable in “Annexure – 2” forming part of this Report.

17. NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Act, and in terms of Regulation 19 read with Part D of Schedule-II of the SEBI Listing Regulations, the Company has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management which also provides for the diversity of the Board and provides the mechanism for performance evaluation of the Directors and the said Policy was amended from time to time. It includes criteria for determining qualifications, positive attributes and Independence of a Director. The Remuneration Policy is set out in “Annexure - 3” to the Director’s Report. It is also available on the Company’s website and can be accessed through the following link <https://fineotex.com/wp-content/uploads/2021/08/Nomination-and-Remuneration-Policy.pdf>

18. EMPLOYEES

None of the employees (other than Whole-Time Director) who were employed throughout the financial year were in receipt of remuneration of more than Rs. 1,02,00,000 during the year ended 31st March, 2023, nor was their remuneration in excess of that drawn by the Managing Director or Whole-time Director.

There were no employees employed for any part of the financial year 31st March 2023 in receipt of remuneration more than Rs.8,50,000 per month. No employee drew remuneration in excess of that of Managing Director and Executive Director.

The details of remuneration paid to executive directors and the ratio of the remuneration of each Director to the median employee’s remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this report as “Annexure – 4”.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS.

The Company has not given any loan, guarantees or securities during the year that would attract the provisions of Section 185 of the Companies Act, 2013. Details of Loans, Guarantees and Investments which are within the limits specified under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, are given in “Annexure – 5” forming a part of this report. Further the said details are also provided in the notes to the financial statements of the Company forming part of this Annual Report.

20. RELATED PARTY TRANSACTIONS / CONTRACTS

During the year, the Securities and Exchange Board of India (SEBI) has widened the definition and the scope of Related Party Transactions. All Related Party transactions entered into during the year were on arm’s length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are approved by the Audit Committee and the Company has obtained prior omnibus approval from the Audit Committee with respect of transactions which are repetitive in nature.

The shareholders have also given approval to these contracts and transactions at the 16th Annual General Meeting of the Company. Subsequently some of these were amended in the 17th and 18th Annual General meetings as explained therein.

Details of related party transactions are given in “Annexure – 6” giving the details as per AOC - 2.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company and may be accessed through the web link <https://fineotex.com/wp-content/uploads/2023/05/RPT-Policy.pdf>

21. CORPORATE SOCIAL RESPONSIBILITY

The Board, in compliance with the provisions of Section 135(1) of the Act and Rules made thereunder has formulated the CSR Committee and CSR Policy. Further, the CSR Policy has been placed on the website of the Company and can be accessed through the following link <https://fineotex.com/wp-content/uploads/2022/01/Corporate-Social-Responsibility-Policy.pdf>.

The Company’s key objective is to make a difference to the lives of the underprivileged, promote development through social and economic transformation and help them to bring a self-sustaining level. There is a deep commitment to CSR engagement. The Company is discharging this obligation by donating the amounts to the trusts which carry on these specified activities.

During the financial year 2022-23, the Company was required to spend Rs. 75.20 Lakhs, the minimum amount to be spent on CSR activity. The Company has spent Rs. 98.36 Lakhs during the financial year 2022-23. Accordingly, the excess amount for financial year 2022-23 shall be carried forward and will be available for set off against the CSR obligations of the Company for the subsequent 3 (Three) years. The brief details of the CSR obligations undertaken by the Company during the year under review has been annexed as “Annexure – 7”.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company’s Board comprises of 7 (Seven) Directors, of which 4 (Four) Directors are Non-Executive Independent Directors and 3 (Three) Directors are Executive Directors

a) Appointment/Resignation of Directors

During the financial year 2022-23, Mr. Anand V Patwardhan - Independent Non-Executive Director (DIN: 08908877) have resigned from the Directorship of the Company with effect from May 16, 2022 due to additional responsibilities from another state for the post of Deputy Director Bhubaneswar campus (Odisha state). He has also confirmed that there are no other material reasons attributable/ connected with the Company for their resignation. The Board places on record its deep appreciation for the contributions of Mr. Anand Patwardhan during his tenure as Independent Director of the Company.

b) Retirement by Rotation

Mrs. Aarti Jhunjhunwala is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, she offers herself for re-appointment. She is related to the Whole-time Directors of the Company and therefore a Non-Independent Director liable to retire by rotation and being eligible, she offers herself for reappointment. The brief profile of Mr. Aarti Jhunjhunwala has been annexed under Notice of Annual General Meeting.

c) Appointment/Resignation of Key Managerial Personnel

During the year under review Mr. Hemant Auti, Company Secretary and Compliance Officer of the Company has resigned due to personal reasons and further law education with effect from December 07, 2022.

Further, based on the recommendation of the Nomination & Remuneration Committee, the Board of the Company at its meeting held on 13th December 2022 has approved the appointment of Mr. Sunny Parmar as the Company Secretary and Compliance Officer of the Company with effect from 13th December, 2022. While considering the said appointment as the Company Secretary, the Board has considered his educational qualification, relevant knowledge, experience and skill set.

During the financial year 2022-23, the constitution of the Board complies with the requirements of the Act, and the SEBI Listing Regulations. There were no changes in Key Managerial Personnel of your Company during the financial year 2022-23 other than disclosed above.

23. BOARD MEETINGS

The Board of Directors of the Company met 6 (Six) times during the financial year i.e. on 28/04/2022, 24/06/2022, 29/07/2022, 04/11/2022, 13/12/2022 and 27/01/2023. Brief details of various Board Meetings and Meetings of the Committees are provided in the Corporate Governance Report given in "Annexure - 9" of this report.

24. DECLARATION OF INDEPENDENT DIRECTORS

During the financial year 2022-23, all the Independent Directors of the Company have given necessary declarations regarding

their Independence to the Board as stipulated in Section 149(6) & 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) and 25(8) of the SEBI Listing Regulations

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Act with regard to integrity, expertise and experience (including the proficiency) of an Independent Director and are independent of the management.

25. FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Company conducts Familiarization Programme for Independent Directors to enable them to understand their roles, rights and responsibilities and proactively keeps them informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. Company's policy on the familiarization program for the independent directors as well as details of familiarization programme imparted during the year is available on the Company's website at <https://fineotex.com/wp-content/uploads/2023/02/FCL-Familiarization-Programme-2022-23.pdf>

26. BOARD EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Independent Directors at their meeting have evaluated the performance of Non-Independent Directors after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity, and timeliness of flow of information between the Company's Management and the Board.

Further, the Board, upon recommendation of the Nomination and Remuneration Committee and as per the criteria and manner provided for the annual evaluation of each member of the Board and its Committees, has evaluated the performance of the entire Board, its Committees, and individual directors.

During the financial year 2022-23, all the members of the Board and its Committees met the criteria of performance evaluation as set out by the Nomination and Remuneration Committee.

27. AUDITORS AND AUDITORS' REPORT

(i) Statutory Auditors:

M/s. ASL & Co., Chartered Accountants (Firm Registration No. 101921W), were appointed as statutory auditors of the Company, at the 16th Annual General Meeting for a period of 5 years - i.e. till the conclusion of 21st Annual General Meeting to be held in 2024.

The Report given by ASL & Co., Chartered Accountants on the financial statements of the Company for the financial year 2022-23 is part of the Annual Report and there is no qualification, reservation, adverse remark, or disclaimer given by the Auditors in their Reports. The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

(ii) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors based on the recommendation of the Audit Committee appointed M/s HSPN & Associates LLP, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report, pursuant to Section 204(1) of the Act for the financial year ended 31st March 2023 is annexed to this Report as “Annexure – 8” and forms part of this Report.

The Secretarial Audit Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remarks.

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2022-23 pursuant to Regulation 24A (2) of the SEBI Listing Regulations. The Annual Secretarial Compliance Report for the financial year ended 31st March 2023 has been submitted to the Stock Exchanges and the said report may be accessed on the Company’s website at <https://fineotex.com/wp-content/uploads/2023/05/Secretarial-Compliance-Report-31st-March-2023.pdf>

(iii) Cost Auditors:

M/s V J Talati & Co, Cost Accountants, of the Company had submitted the Cost Audit Report for the year 2022-23 within the time limit prescribed under the Act and Rules made thereunder.

Pursuant to Section 148 of the Act, read with the rules framed thereunder, the Board of Directors at its meeting held on 20th May 2023, upon the recommendation of the Audit Committee, re-appointed M/s V J Talati & Co as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year 2023-24. The Company has received the necessary consent from M/s V J Talati & Co. to act as the Cost Auditor of the Company for the financial year 2023-24 along with the certificate confirming that his appointment would be within the applicable limits.

Further, pursuant to Section 148 of the Act, read with the rules framed thereunder, the remuneration payable to Cost Auditor for the financial year 2023-24 is required to be ratified by the Members of the Company at the ensuing AGM. Accordingly, an ordinary resolution seeking approval of members for ratification of payment of remuneration payable to the Cost Auditor is included in the Notice convening the ensuing AGM of the Company.

28. MAINTENANCE OF COST RECORDS

The Company is duly maintaining the cost accounts and records as specified by the Central Government in compliance with Section 148 of the Act.

29. RISK MANAGEMENT COMMITTEE

As per Regulation 21 of (Listing Obligation and Disclosure Requirements) Regulation, 2015, the provisions regarding Risk Management Committee. The management of the Company determines various aspects so as to be able to minimize the risk in all spheres of the Company’s business from finance, human resources to business strategy, growth and stability. The Committee met twice in a year i.e. on 13th July, 2022 and 06th January, 2023.

30. AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report which forms a part of this Report. The Committee met 4 times during the year i.e. on 28th April, 2022; 29th July, 2022; 04th November, 2022; 27th January, 2023.

31. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report. The copy of the Policy is available on the website of the Company and may be accessed through the web link <https://fineotex.com/wp-content/uploads/2021/08/otherFCL-WhistleblowerPolicy.pdf>

No complaints/suggestions were received during the year

32. HUMAN RESOURCES

The Company has a good mix of permanent employees and contract workers as on 31st March, 2023. From the total permanent employees, over 17.41% are women. We consider our employees as our most valuable asset.

The Company is aware that the success of its business depends upon its technical experts coordinating with research and development staff on one hand and marketing on the other. Necessary training and orientation are provided to our employees to equip them in providing productive and committed results.

33. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary & trainees) are covered under the policy.

The following is a summary of sexual harassment complaints and disposed of during the year 2022-23.

No. of Complains received: NIL

No. of Complaints disposed off: NIL

Further the Company has also set up an Internal Complaint Committee as required to be formed under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The members of the committee are the female employees of the Company and they directly report to the management of the Company.

During the financial year 2022-23, the Committee submitted its Annual Report as prescribed in the said Act and there was no complaint as regards sexual harassment received by the Committee during the year.

34. DIRECTORS' RESPONSIBILITY STATEMENT

Based on internal financial controls, work performed by Statutory Auditors, Secretarial Auditors and Cost Auditors with the concurrence of the Audit Committee, pursuant to Section 134(3) (c) read with Section 135(5) of the Companies Act, 2013 and as per Schedule II Part C (A)(4)(a) of the SEBI Listing Regulations, the Board states the following:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any;
- (ii) The Directors have selected such accounting policies as mentioned in Note 2 to the Notes to Financial Statements 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;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the Annual Accounts on a going concern basis;
- (v) The Directors have laid down proper internal controls were in place and that the financial controls were adequate and were operating effectively and the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively and
- (vi) The Directors have devised systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

35. EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return as on 31st March, 2023 can be viewed on the website as per following link at www.fineotex.com.

36. CORPORATE GOVERNANCE

The Company strives to achieve appropriate Corporate Governance practices. In accordance with the requirements

of Schedule V read with Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, a report on the status of compliance of Corporate Governance norms is also attached as "Annexure – 9".

A certificate from the Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance, as stipulated in the Listing Regulations forms part of the Annual Report.

37. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the Listing Regulations, BRSR, covering disclosures on the Company's performance on Environment, Social and Governance parameters for FY23, is part of this Integrated Report. BRSR includes reporting on the nine principles of the National Voluntary Guidelines on social, environmental and economic responsibilities of business as framed by the MCA. The same is attached as "Annexure – 10" and forms part of this Report.

38. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant/material orders passed by the Regulators/ Courts/Tribunals which would impact the going concern status of the Company and its future operations. During the year under review, no Corporate Insolvency Resolution application was made, or proceeding was initiated, by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application/proceeding by/against the Company under the provisions of the Insolvency and Bankruptcy Code 2016 (as amended) is pending as on 31st March 2023.

39. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), during the year under review, unclaimed dividend amounting to Rs.11,077/- was transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Government of India.

40. TRANSFER TO UNCLAIMED SHARES TO IEPF

During the financial year 2022-23, the Company was required to transfer the unclaimed shares to IEPF pursuant to the provisions of Section 124(6) of the Act. The members who have a claim on dividends and shares which have been transferred to IEPF may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website of IEPF Authority at www.iepf.gov.in and sending a physical copy of the same, to the Company, along with requisite documents enumerated in the Form IEPF 5. During the year the Company has received claim from one of its shareholder in respect of the

dividend/shares so transferred to IEPF. The requisite forms with respect to claiming the shares/dividend so transferred to IEPF has been filed and the same is under process.

41. LISTING ON STOCK EXCHANGES

The Company's 11,07,48,420 equity shares of Rs. 2 each as on 31st March 2023 are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees to these stock exchanges.

42. DEMATERIALISATION OF SHARES

There were 11,07,48,270 equity shares of the Company held by the shareholders in dematerialised form as on 31st March 2023, representing 99.99% of the total paid-up share capital of the Company consisting of 11,07,48,420 equity shares of Rs. 2 each. The Company's equity shares are compulsorily required to be traded in dematerialised form, therefore, Members are advised to speed up converting the physical shareholding into dematerialised form through their DP(s). Only 150 equity shares of Rs. 2 each are held in physical form.

43. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India during the financial year.

44. GREEN INITIATIVE

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to Members at their e-mail address registered with the Depository Participants ("DPs") and RTAs. To support the 'Green Initiative', Members who have not

registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent ("RTAs")/ Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically. Pursuant to the MCA Circular No. 10/2022 dated 28 December 2022 and SEBI Circular dated 05 January 2023, the Annual Report of the Company for the financial year ended 31 March 2023 including therein the Audited Financial Statements for the financial year 2022-23, are being sent only by email to the Members.

45. ACKNOWLEDGEMENTS

The directors place on record their appreciation for the contribution made by the employees at all levels enabling the Company to achieve the performance during the year under review.

Your directors wish to place on record their sincere appreciation for the continued support and cooperation extended to the Company by its bankers, customers, vendors, suppliers, dealers, investors, business associates, all the stakeholders, shareholders, various departments of the State and the Central Government and Investors who have put their faith in the Company.

For and on behalf of the Board

Surendrakumar Tibrewala
(Chairman & Managing Director)
DIN: 00218394

Sanjay Tibrewala
(Executive Director)
DIN: 00218525

Place : Mumbai
Dated: August 4, 2023

Annexure '1'

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economy: Resilience and Growth Potential

The Indian economy remains resilient and is well-positioned to leverage its growth prospects. According to the second advance estimates (SAE) of national income released by the National Statistical Office (NSO), the recovery has been robust, primarily driven by private consumption and a rebound in government consumption. Net exports have shrunk as significant growth in its exports and a noticeable slowdown in growth of imports. On its part, the government is tweaking its policies to promote rapid economic growth and to mitigate risk while streamlining supply chain and continuous availability of raw material. These measures will help the Indian economy to maintain its growth trajectory.

Recently, in Dec 2022, India assumed the Presidency of G20 and under its Presidency, the G20 will focus on the theme, 'One Earth, One Family, One Future' and has identified key priorities to strengthen global economic cooperation, multilateral development banks, and the financial safety net. It also aims to address debt vulnerabilities, resource mobilization for climate action & Sustainable Development Goals (SDGs), risk management and opportunities arising from rapid fintech advancements.

The Indian chemicals industry is projected to reach US\$ 304 billion by 2025, with a CAGR of 9.3%. The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030. The increasing demand from end-user industries such as food processing, personal care, and home care is driving the development of various segments in India's specialty chemicals market. India's specialty chemicals companies are expanding their capacities to meet the rising demand from both domestic and international markets.

An estimated investment of Rs. 8 lakh crore (US\$ 107.38 billion) is projected in the Indian chemicals and petrochemicals sector by 2025. Specialty chemicals account for 22% of the total chemicals and petrochemicals market in India. The demand for specialty chemicals is expected to rise. India holds a strong global position in chemical exports and imports, ranking 14th in exports and 8th in imports (excluding pharmaceuticals). The chemicals industry in India encompasses over 80,000 commercial products, contributing to its robust overall market size. The specialty chemicals sector is expected to reach a market size of US\$ 40 billion by 2025.

The Indian Government supports the industry through research & development and initiatives such as reducing basic customs duty on several imported products and promoting the 'Make in India' campaign. A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement production-link incentive system with 10-20% output incentives for the agrochemical sector; aiming to create an end-to-end manufacturing ecosystem through the growth of clusters.

To address lower per capita consumption ease of doing business have been promoted by the Indian government; this reflects good investment opportunities with huge growth potential.

The government has established four petroleum, chemicals and petrochemical investment regions (PCPIRs) as investment regions for petroleum, chemicals and petrochemicals, along with associated services. Plastics Parks have been set up to facilitate technology development and conducive ecosystem to produce specialised plastic products. The government has started various initiatives such as mandating BIS-like certification for imported chemicals to prevent dumping of cheap and substandard chemicals into the country.

The Indian government recognises chemical industry as a key growth element and forecast to increase share of the chemical sector to ~25% of the GDP in the manufacturing sector by 2025.

- Under the Union Budget 2023-24, the government allocated Rs. 173.45 crore (US\$ 20.93 million) to the Department of Chemicals and Petrochemicals
- PLI schemes have been introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US\$ 213.81 million)
- The Government of India is considering launching a production linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports
- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters
- 100% FDI is allowed under the automatic route in the chemicals sector with few exceptions that include hazardous chemicals
- Single window clearance is provided for central and state-level approvals

Emergence of the Indian Specialty Chemicals Market and Growth Potential

The specialty chemicals industry is still experiencing the global impact, post-pandemic. The hardships caused by pandemic-related restrictions, stockpiling at ports, and labour shortages, has not deterred the industry to demonstrate its resilience. The shift in consumer behaviour, driven by a heightened focus on health, hygiene, and the demand for specialized products, has further fuelled the need for the industry across various applications.

Meanwhile, India's specialty chemicals market has emerged strong because of its process engineering prowess, cost-optimized manufacturing, and its skilled workforce. Further, favourable government initiatives the Petroleum, Chemicals, and Petrochemicals Investment Region (PCPIR) policy and Production-Linked Incentive (PLI) schemes, have increased the global investor confidence. With tighter pollution control norms and rising labour costs, global manufacturers are actively seeking to shift their production base to low-cost economies.

Benefitting from its robust manufacturing capabilities, favourable cost structures, government support, and the evolving global manufacturing landscape, India's specialty chemicals market is primed for significant growth in the near term. India is seizing the opportunity and potential to establish itself as an alternate manufacturing hub for the global specialty chemicals industry.

Expanding and Diversifying Fineotex's Portfolio: Specialty Chemicals in Textile and Cleaning and Hygiene Segments

Fineotex is a forward-looking group and continuously explores new domestic and international geographies to expand and diversify its portfolio. Over the years, the company has enhanced its brand through strategic alliances with reputed companies. Of late, the industry has seen a rising demand for its super specialty finishing products, and we, at Fineotex is well-equipped to meet this surge in demand. Furthermore, the global demand and the increasing focus on health and hygiene will further boost the company's revenue. To respond to the growing demand, Fineotex is expanding its capacity and developing new super specialty chemicals.

Fineotex is a specialty chemicals producer with a specific focus on textile chemicals. The industry dynamics are attractive, with technical barriers to entry and a high level of development and product customization. Biotex Malaysia plays a pivotal role in spearheading R&D solutions, application research, and product development in this segment.

The textile industry is the largest consumer of Fineotex's specialty chemicals. We have established strong relationships with major textile brands and enjoys a good brand recall for its high-quality products. Our products are widely accepted in both domestic and international textile markets, both for manufacturing and processing. Fineotex's export portfolio covers more than 60 nations.

Fineotex has successfully diversified into the cleaning and hygiene business, leveraging its existing technical expertise and knowledge in production and distribution to gain a competitive advantage. Many chemical compounds used in the textile specialty segment have potential applications in the cleaning and hygiene segment as well. The cleaning and hygiene segment has exhibited steady growth and is expected to accelerate further soon. This expansion allows Fineotex to diversify its business and revenue streams while leveraging its core competencies. The company aims to maintain the same high standards of quality and performance in its cleaning and hygiene products as it does in its textile chemicals.

In addition to manufacturing specialty chemicals, Fineotex offers customized technical solutions and services through its dedicated focus on R&D activities, facilitated by strong alliances with partners and institutions.

The company has established strategic partnerships with EuroDye, HealthGuard, and Sasmira to further enhance its offerings and market presence.

Fineotex actively encourages sustainability and strives to minimize its environmental footprint by fostering collaboration and knowledge sharing between the textile, cleaning, and hygiene industry-wide manufacturers.

Our Ambernath plant is fungible and has the capabilities to manufacture products for both the textile chemical as well as cleaning and hygiene segments. The Fineotex group's total plant capacity expansion from 83,000 MT to 1,04,000 MT since 14th November 2022. Equipped with modern infrastructure and amenities, the facility enables sustainable chemical production through advanced automation, storage, and logistics handling. This expansion allows Fineotex to meet the growing demand for specialty chemicals while maintaining efficient and environmentally friendly manufacturing processes.

Fineotex's Commitment to Sustainable Operations and Innovation

The year 2022 is a significant milestone year for Fineotex, in which we reached a total capacity of 104,000 tonnes per year reflecting our intention for seizing opportunity for growth. This expansion will help us to expand our client base and product base and enabling us to meet the ever-evolving needs with speed.

Our accomplishments have been widely recognized across the industry and market segments. Celebrating 12 years of being listed on the Indian stock market, Fineotex Chemical has earned the certification as a 'Great Place to Work,' showcasing our commitment to providing a conducive work environment. Additionally, we have been included in the Nifty Micro-Cap index and have entered the 'A' group category of listed companies, reflecting our dedication to excellence and growth. The certification from the US Environmental Protection Agency (EPA) and the Women at Work Leadership Award further validates our commitment to quality and distinction.

Fineotex Chemical offers a wide range of over 470 diverse products across many categories. Our recent partnerships with HealthGuard Australia and EuroDye CTC Belgium have enriched our product offerings, allowing us to provide comprehensive and innovative solutions to meet market demands. The industry has already recognized the exceptional quality of our bespoke specially developed silicone functional range, which includes epoxy, hydrophilic and, color enhancement finishes.

With a global presence in approximately 70 countries, Fineotex has established a strong network of over 110 dealers. Our commitment to delivering excellent products and services extends both to the Indian and international markets. International Sales contribute to 25% of our income, underscoring our dedication to providing outstanding solutions to customers worldwide.

Recognizing the increasing importance of sustainability in the textile chemicals sector, Fineotex is at the forefront of promoting sustainable practices. We adhere to the strict requirements set forth by statutory authorities, ensuring that our processes and products are non-hazardous and free from harmful substances. Our wastewater is treated and safely discharged through our effluent treatment plants (ETPs) and combined effluent treatment plant (CETP), preventing water pollution.

We are committed to reducing our overall water and energy consumption, driving efficiency, lowering costs, and promoting sustainability. By adopting processes that minimize air and water pollution, reduce waste from production and packaging, and address transport-related pollution, we actively contribute to a cleaner and safer environment.

In our pursuit of a sustainable future, Fineotex Chemical focuses on innovation. We develop new-generation chemistry that saves power, energy, and process time on existing production lines. Through our continuous efforts to improve and innovate, we aim to create more sustainable and efficient processes.

Fineotex Chemical is driven by a deep-rooted commitment to sustainability and innovation. Our dedication to providing exceptional products and services goes hand in hand with our responsibility to the environment and society. As we move forward, we remain resolute in our mission to make a positive impact, foster sustainability, and contribute to a cleaner and more sustainable world for future generations.

FY2023 saw our textile business division in a significant new product development mode. Our advanced low cyclic sustainable silicone product range will find newer applications that will hold great potential for its success in many countries. We owe this success to our partnership with a few globally acclaimed brands. Our dedicated R&D team has made remarkable progress in creating a new finishing range while reducing silicone dosage. This apart the production process reduces packing material wastage and transportation emissions which are distinguishing benefits compared to our existing products.

Furthermore, we expanded our operations by developing a resin finish product line specifically tailored for European and American retail buying houses. This product line was met with great success as we managed to successfully supply it to renowned textile industries throughout India.

In the recent past, we dedicated our efforts to developing EuroDye CTC dyeing auxiliaries, and we are pleased to announce that they have been successfully launched and adopted by many customers, thus showcasing their effectiveness and reliability in enhancing the dyeing process. The successful market entry and positive feedback from multiple customers validate the value and quality of EuroDye CTC dyeing auxiliaries in the textile industry.

The SWOT Analysis

Strength

Fineotex holds a strong market position in the specialty chemicals industry in India. The company's extensive experience and expertise have enabled it to establish a reputable brand name and gain a competitive edge in the market. With a diversified product portfolio that includes textile chemicals, polymers, and enzymes, Fineotex Chemical caters to various industries, which helps mitigate the risks associated with relying on a single sector for revenue generation. Additionally, the company boasts a well-developed distribution network and a broad customer base, both domestically and internationally. These strengths contribute to the company's consistent revenue growth and overall financial performance. Fineotex also benefits from its experienced management team, which has a proven track record of successfully navigating the industry and driving the company's growth.

Weakness

The weakness faced by companies in the specialty chemicals industry is the potential risk of technological obsolescence due to rapid

advancements and evolving customer preferences. This can lead to products and manufacturing processes becoming outdated and less desirable over time, posing challenges for companies to remain innovative and adapt to changing market demands. However, Fineotex Chemical has effectively countered this weakness by establishing strategic alliances and collaborations. These partnerships with EuroDye CTC, HealthGuard®, and Sasmira Institute enable Fineotex to leverage cutting-edge technologies, research expertise, and industry insights. By actively embracing innovation and investing in research and development, Fineotex Chemical remains at the forefront of technological advancements and maintains a competitive edge in the market.

Opportunities

Fineotex Chemical operates in an industry that presents several growth opportunities. There is a growing demand for specialty chemicals not only in India but also overseas, which Fineotex can tap into by expanding its international footprint. The company can capitalize on this demand by investing in research and development to further expand its product portfolio. Moreover, with the increasing emphasis on sustainability and eco-friendly products, Fineotex has an opportunity to position itself as a leader in providing environmentally conscious solutions to its customers.

Threats

Fineotex Chemical is exposed to the risks associated with economic slowdowns and geopolitical factors. Economic downturns can impact on the overall demand for specialty chemicals, leading to reduced sales and potential revenue decline for Fineotex. Additionally, geopolitical factors such as trade disputes, regulatory changes, and political instability can disrupt global markets and affect the company's international operations, including its supply chain and customer base. However, the fineotex chemical is a debt free company and having an enough resources to overcome the situations.

Outlook

India's economy has been steadily growing due to strong domestic demand, robust investment activity, and buoyant private consumption. This growth, coupled with India's vast consumer market and affordable labor, is attracting global brands and trading partners, presenting opportunities for long-term growth and transformation. The International Monetary Fund expects India to grow by 5.9% in FY 2023-24 and maintain an average rate of 6.1% over the medium term. With its stable growth, favorable domestic conditions, and growing attractiveness to investors, India continues to navigate the challenges of the global economic landscape, positioning itself as a destination for investment and trade. India's economic outlook underscores its potential for sustained development and a positive future.

The Indian Home Care market is currently valued at INR 35,000 Crores and is expected to grow at a good pace in the next 5 years. The Indian per capita annual consumption of detergent is 2.7-3 Kg which is still lower than those of developed countries and is expected to see usage of quality and premium products due to its rapid urbanisation, rising nuclear family structures and increase in disposable income.

Meanwhile, we at Fineotex are at the forefront to capitalise on the emerging opportunities by developing a newer range of products that will serve the ever-changing customer needs. We recently introduced 5 innovative solutions including the few in newer liquid format. These solutions offer safety and convenience to the consumers while optimising the cost and increasing the customer delight.

We continue to reinforce our established market leader position by investing in technology, infrastructure, manufacturing, product development and market.

Production

During the FY 2022-23, the fineotex achieved remarkable progress in production and sales. The increase in production reflected a significant growth of 81.96% compared to the previous year’s production of 30,612 MT. Similarly, the sales volume witnessed a substantial increase, marking a growth rate of 84.77% compared to the previous year’s sales of 29,910 MT.

Particulars	2022-2023	2021-2022	Increase
Production MT	55,702	30,612	81.96%
Sales MT	55,265	29,910	84.77%
Income from Operation (Rs. In Lakhs)	51,700	36,823	40.40%

This performance translated into improved financial results, as evidenced by the income from operations, which amounted to Rs. 51,700 Lakhs. This represents a notable increase of 40.40% compared to the previous year’s income of Rs. 36,823 Lakhs. Our state-of-the-art facility has significantly enhanced our production capabilities and enables us to cater to the increasing market demand. The strategic location of Ambernath provides logistical advantages and allows us to efficiently serve our customers. With the operationalization of this facility, we have strengthened our ability to manufacture a wide range of products, including disinfectant/antimicrobial hygiene and cleaning products. This positions us to capitalize on the opportunities in the market and deliver high-quality solutions to our valued customers.

The remarkable performance in FY2023 reaffirms our commitment to driving growth, capturing market opportunities, and delivering value to our stakeholders. Our continuous focus on innovation, diversification, and operational excellence positions us for sustained success in the future.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The consolidated Profit After Tax (PAT) for FY2023 increased to Rs. 8,955 lakhs from Rs. 5,689 lakhs, registering a growth of 57.4%. Income from Operations reached Rs. 51,700 lakhs, reflecting an impressive year-on-year growth of 40.40%. Similarly, EBITDA amounted to Rs. 11,259 lakhs, marking a remarkable growth rate of 58.12%.

The company accomplished exceptional results by surpassing financial targets and achieving robust growth in the cleaning and hygiene segment. The salient indicators are as under: -

1. Standalone Operations:

(Rs. in lakhs)

Particulars	2022-2023	2021-2022	Increase %
Income from Operations	29,555	25,008	18.18
Profit before Tax	6,771	5,676	19.29
Profit after Tax	5,202	4,398	18.28
EPS (FV Rs. 2/ Share) (Rs)	4.70	3.97	18.39

Increase due to expansion and diversification.

Cash/ Fund management:

Particulars	2022-2023	2021-2022	Increase	Comments
Cash from Operating activities	6,629	1,347	5,282	Effective working capital management, increased sales, and revenue generation
Cash from Investing activities	(6,858)	710	(7,568)	Profit earned saved for future growth
Cash from Financing activities	(500)	(384)	(116)	Dividend paid during the year
Net Cash Flow for the Year	(729)	1674		

2. Consolidated

The Income from Operations constitutes as under on Individual Standalone Results as under:

(Rs. in lakhs)

Company	2022-2023	2021-2022	Increase %	Comments
Fineotex Chemical Limited	29,555	25,008	18.18	Growth and Product Expansion
Fineotex Malaysia Limited	7,545	11,777	(35.93)	
Fineotex Biotex HealthGuard FZE	27	97	(72.16)	
Fineotex Specialities Private Limited	16,218	3,358	382.97	
Manya Manufacturing India Private Limited	-	-	-	
Elimination and adjustments	(1,645)	(3,417)		
Total Group Turnover	51,700	36,823		

Operations:

Particulars	2022-2023 (Rs. In lakhs)	2021-2022 (Rs. In lakhs)	Increase %
Income from Operations	51,700	36,823	40.40%
Profit before Tax	11,480	7,329	56.64%
Profit after Tax	8,955	5,689	57.41%
EPS (FV Rs. 2/ Share) (Rs)	7.97	4.98	60.04%

Strategic initiatives led to impressive growth and successful portfolio diversification, enabling it to capture new market opportunities and mitigate risks

Cash/ Fund management:

Particulars	2022-2023	2021-2022	Increase	Comments
Cash from Operating activities	10,728	1,338	9,390	The company having an effective cash utilization, which fulfilling the working capital requirements
Cash from Investing activities	(10,184)	(74)	(10,110)	
Cash from Financing activities	(644)	(566)	(78)	
Effect of Foreign Exchange differences	237	141	96	
Net Cash Flow for the Year	136	839	(703)	

Financial Ratios and Analysis

Most of the parameter indicators of financial performance show the improvement in this area:

Working Capital Management

The working capital ratios are given below:

	2022-2023	2021-2022	Variance
Current Ratio	2.96%	3.44%	(13.95)%
Inventory Turnover Ratio	6.86%	7.09%	(3.24)%
Debtors Turnover Ratio	3.97%	3.74%	6.15%
Creditors Turnover Ratio	4.15%	5.59%	(25.76)%

The above shows an improved working capital management with faster collections matched by faster settlement of dues to suppliers.

Profitability performances

	2022-2023	2021-2022	Variance
Return on Equity	21.17%	21.83%	(3.02)%
Net Profit Ratio	17.60%	17.59%	0.06%
Return on Capital Employed	24.49%	25.49%	(3.92)%

ROC and ROE were 24.49% and 21.17% respectively, underscoring the success of strategic initiatives and efficient capital allocation

Long Term Financing	2022-2023	2021-2022	Variance
Debt Equity Ratio	0.03	0.01	200.00%
Debt Service Coverage Ratio	97.48	91.09	7.02%

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Fineotex lays great emphasis and strict compliance on the policies related to critical functions like production, project, finance, supply chain, human resources, etc. These policies are periodically reviewed to ensure the same are aligned to prevailing policies of the government and regulatory authorities. The internal checks and balances help the Fineotex to assure the safety and security of all the infrastructure and assets and its authorized use through control documents. Fineotex has tight Internal Control Systems which are monitored on a regular basis by the management. On the external front, the Company monitors the conformity to all environmental regulations prevailing as on date. The Audit Committee is empowered to evaluate policy adequacy and to initiate measures to strengthen them.

The Internal Control System is reviewed on a continuous basis in light of changed circumstances and way of conducting business due to changing systems and procedures. Based on the recommendary and statutory directions of the Government, the Company had to revisit the controls repeatedly as a business necessity. As result of the amendment to the Schedule III of the Companies Act 2013 and reporting requirements of CARO 2020 the Board has looked into the controls and brought in line to comply with the Act. The management is also in touch with stakeholders, experts and auditors. Necessary provision has been made based on such interaction.

Fineotex has laid down adequate internal financial controls and checks which are effective and operational. These systems are designed in a manner which provides assurance about maintenance of strict accounting control, optimum efficiency in operations and utilization of resources as well as financial reporting, protection of Company's tangible and intangible assets and compliance with policies, applicable laws, rules and regulations. The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior Executives of the Company responsible for financial management and other relevant areas. The Audit Committee evaluates the internal control systems and checks and balances for continuous updating and improvements therein. The Audit Committee also regularly reviews and monitors the budgetary control system of the Company as well as the system for cost control, financial and accounting controls, physical verification and other related areas. The Audit Committee regularly ensures that proper internal financial controls are in place, including with reference to financial statements. During the year, such controls were reviewed, and no reportable material weakness was observed.

HUMAN RESOURCE

Fineotex has total 278 employees out of which 201 are permanent employees and 77 are contract worker at the year end. From the total permanent employees, over 23.30% are women.

We consider the employees as our most asset and help them realize their full potential through our strong HR policy. Fineotex's robust performance and goals management system is crafted to ensure our employees' performance is assessed and appraised annually based on agreed upon goals aligned with the Company's overall business targets. The performance driven culture and Risk & Reward HR policy will help to inculcate a sense of ownership and accountability amongst our employees.

The HR function is tightly integrated and takes care of recruitment, training, performance management, compensation and the overall well-being of all our employees. Fineotex's strong belief in employee empowerment and thus the efforts are focused on creating an employee-friendly environment. The testimony to this is our recent certification of '**Great Place to Work**'.

SAFETY AND HEALTH

Fineotex is firmly committed to the policy of utmost safety in workplaces. The Company has all the required safety systems in place at all our facilities to ensure a high standard of safety and health of employees as well as the factory infrastructure. We have established all possible measures to remove/reduce risks to the health, safety and welfare of all the personnel at our facilities. The Company ensures all the safety equipment are in working condition, installed at appropriate locations and along with its user manual. All the employees are also periodically trained on health and safety initiatives. Our workplace

culture promotes the use of personal protection equipment and apparel, as well as strict adherence to management's health and safety directives.

We at Fineotex believe in developing our processes and products in a manner such that no harm is caused to life and nature. We believe in being ecologically conscious and providing our customers with not only the best but also the most eco-friendly products and we consider this a serious social responsibility. All the effluents created during various processes are disposed of carefully without causing any harm to the surroundings.

It may be surprising the amount of good that can come out of implementing a resilient Safety and Health Program. Workplace safety promotes the wellness of employees and employers alike. Improved safety translates to better health. Healthier employees perform tasks more efficiently and are generally happier. In a safe working environment, the incidence of accidents become zero. A safe and healthy workplace safeguards workers from injuries and illnesses. Additionally, it can lower costs associated with injuries/illnesses, reduce absenteeism and turnover, increase productivity and quality, and boost employee morale. In other words, safety is good for business. Health and Safety initiatives include: the installation of Eye Washers & Body Showers in the Factory; conducting Mock Drills; Tool Box Talks; Earth Pit Testing; Safety Induction Training; Spillage Kit Training; Mobile Hazard Due to Radiation Training; Thermal Monitoring of Electrical Appliances; and Medical Check-up Camps approved by the Directorate of Industrial Safety and Health (DISH).

“Annexure - 2”

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

- (a) the steps taken or impact on conservation of energy : Energy consumption is not very high for the company’s business.
- (b) the steps taken by the company for utilising alternate sources of energy : Company continuously strive to monitor the enrgy consumption and reduce energy costs. The company also installed solar panel which will be in use in the FY 2023-24.
- (c) the capital investment on energy conservation equipments : NA
- (d) Total standalone energy consumption and energy consumption per unit of production as per Form ‘A’

	Power & Fuel Consumption	2022-2023	2021-2022
1. Electricity			
Purchased Units (Nos)		4,53,106	4,17,000
Total Cost (Rs. In Lakhs)		54.06	42.23
Rate / Unit (Rs.)		11.93	10.13
2. Diesel Oil			
Quantity (K.Ltrs)		6,284.38	3891.85
Total Cost (Rs. In Lakhs)		5.89	3.59
Average rate per K Ltr. (Rs.)		93.72	92.12

B. TECHNOLOGY ABSORPTION

- (a) Efforts made in technology absorption :

There has been a significant approach and focus on the sustainable solutions and products in the development. The company has spent 150.91 Lakhs towards R&D cost. The Company has collaborated with The Synthetic & Art Silk Mills’ Research Association (SASMIRA) Institute located in Worli, Mumbai to develop a Research & Development Center for developing innovative products for sustainability i.e. process and products for water & energy conservation and other effective solutions.

The said R&D activity and collaboration with Sasmira Institute is to focus on new sustainable solutions/ chemicals to reduce water, time and energy consumption for the textile wet processing industry, substantial reduction of negative impact of chemicals on mother earth through alternative user friendly chemicals options & new process optimisation as a long term sustainable approach.

- (b) the benefits derived like product improvement, cost reduction, product development or import substitution.
- (c) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : The Company has not imported any technology
 - i. the details of technology imported – NIL
 - ii. the year of import - NIL
 - iii. whether the technology been fully absorbed - NIL
 - iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof - NIL
- (d) the expenditure incurred on Research and Development : 150.91 Lakhs

FINEOTEX CHEMICAL LIMITED

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Standalone activities relating to export initiatives to increase exports developments of new export markets for products.

(Rs. In Lakhs)

Sr. No	Particulars	2022-2023	2021-2022
(a)	Total Foreign Exchange earned	6358.51	6574.99
	i. Sales – Export	5907.47	6567.17
	ii. Dividend	445.69	-
	iii. Commission Received	-	7.82
	iv. Other	5.35	-
(b)	Total Foreign Exchange used	5289.93	6038.42
	i. Commission	235.44	62.63
	ii. Travelling & Exhibition	89.88	28.16
	iii. Import	4873.00	5838.00
	iv. Salary	-	-
	v. Professional Fees	42.16	37.75
	vi. Freight Charges	-	46.10
	vi. Membership	9.14	15.10
	vii. Advertisement	3.26	10.68
	viii. Exhibition Expenses	37.04	-

By Order of the Board
For Fineotex Chemical Limited

Sd/-
Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

Place: Mumbai
Date: August 4, 2023

“Annexure - 3”

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

APPLICABLE

This Remuneration Policy applies to Directors, Senior Management including its Key Managerial Personnel (KMP) and Other Employees of the Company.

GUIDING PRINCIPLE

The guiding principle is that the remuneration and the other terms of employment should effectively help in attracting and retaining committed and competent personnel.

While designing remuneration packages, industry practices and cost of living are also taken into consideration.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee 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 his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more Directors / Management Executives

On behalf of Board of Directors

Sd/-
Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

Place: Mumbai
Date: August 4, 2023

“Annexure - 4”

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014)

Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during the year 2022-23.

S. No	Name of Employee	Designation	Ratio of Remuneration of each Director to Median Employee	% increase in Remuneration
1.	Surendrakumar Tibrewala ¹	Chairman and Managing Director	25.36	18.87
2.	Sanjay Tibrewala ¹	Executive Director & CFO	25.36	18.87
3.	Aarti Jhunjhunwala	Executive Director	14.62	50.69
4.	Hemant Auti ²	Company Secretary	1.53	NA
5.	Sunny Parmar ³	Company Secretary	1.42	NA

- The Whole- Time Directors salary was increased in 2022-23*
- Mr. Hemant Auti has resigned from the post of Company Secretary w.e.f December 07, 2022*
- Mr. Sunny Parmar has been appointed for the post of Company Secretary w.e.f December 13, 2022.*

Notes:

- Apart from sitting fees no other remuneration has been paid to the Non-Executive Independent Directors.
- The Remuneration of Mr. Surendra Tibrewala, Chairman & Managing Director and Mr. Sanjay Tibrewala, Executive Director has been increased and revised with the approval of the Nomination and Remuneration Committee Meeting held on 24th June, 2022. Further the said revision is with effect from 1st October, 2022 and is within the limits approved by the members at the 19th Annual General Meeting held on 05th August, 2022.
- During the year the Nomination and Remuneration Committee at its Meeting held on 24th June, 2022 has also approved an increase and revision of salary of Mrs. Aarti Jhunjhunwala, Executive Director with effect from 1st July, 2022.
- During the year Mr. Surendrakumar Tibrewala, Chairman & Managing Director of the Company was paid a remuneration of Rs. 113.4 Lakhs and Mr. Sanjay Tibrewala, Executive Director & CFO of the Company was paid a remuneration of Rs. 113.4 Lakhs. This include remuneration, perquisites and retired benefits. Before employment in the Company both had own business as their occupation.

Mr. Surendrakumar Tibrewala and Mr. Sanjay Tibrewala were appointed as a Whole Time Director with Effect from June 26, 2007. Mr. Surendrakumar Tibrewala has over 4 decades of experience into manufacturing Specialty Chemicals & Enzymes for various industries namely Textiles & Garments, Construction, Water Treatment, Leather, Paper, Paint, Adhesives etc.

Mr. Sanjay Tibrewala has total 23 years of experience. His experience and dynamic nature has facilitated the Company to venture into indirect exports and segments like Construction Chemicals, Adhesives & Enzymes which are a new branch in specialty chemicals, making the Company more integrated in nature. Mr. Sanjay brings in a sense of focus, and competitive spirit to the Company. He joined his father in 2001 and has in depth knowledge of products and understanding of market dynamics. His dedication towards the Company has helped it shape into a successful, professionally managed enterprise. He has about 10 years of experience in the Specialty chemicals sector.

- The Company has 201 permanent employees including Executive Directors but excluding contract worker as on 31st March, 2023.

Further the Company has also adopted its Employees Stock Option Scheme-FCL-ESOP-2020 for granting options to eligible employees of your Company as approved by the Members of your Company at the 17th Annual General Meeting held on 29th September, 2020. The scheme is governed are governed by the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in terms of the approvals granted by the shareholders of the Company, the Nomination and Remuneration Committee inter alia administers, implements and monitors the aforesaid schemes. During the year the Company has granted 8,000 options. The total number of options outstanding as on March 31, 2023 are 49,511 options.

6. Relationship between average increase in remuneration and Company's performance:

The remuneration policy of the Company's Employees is based on the philosophy to reward and drive performance culture. Every year the salary increases are decided to provide reward on the basis of market opportunity determined by benchmarking the rewards with similar profile organizations. Variable component is an important criteria which is dependent of individual performance rating, business performance and market competitiveness of the Company.

7. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

As per the policy, increases are dependent on actual performance rating as well as the business performance and increase in scope of work entrusted.

8. The market capitalization has increased from Rs. 2,00,122 Lakhs on March 31st, 2022 to Rs. 2,58,155 Lakhs as on March 31st, 2023. In March 2011 the shares were issued to public at Rs.70 per share of face value of Rs. 10 each. The corresponding value stood at Rs.2,329 as on March 31st, 2023.

9. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year – NA

Affirmation: The above remuneration are paid in accordance with the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board

Sd/-

Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

Sd/-

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Place: Mumbai

Date : August 4, 2023

“Annexure – 5”

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

The following are the particulars of the loan, guarantee given and investment made during the financial year 31st March, 2023

1. Loans Given
2. Guarantees given
3. Investments made

Name of Entity	Relation	Amount Given (Rs. in Lakhs)	Amount received (Rs. in Lakhs)	Balance on 31/03/2023 (Rs. in Lakhs)	Particulars
Manya Steels Private Limited	Wholly Owned Subsidiary	-	-	116.35	Lease Deposit
Fineotex Specialities Private Limited	Wholly Owned Subsidiary	653.50	892.70	5.78	Loan
Equity Shares	Own	12.69	138.99	-	Investments
Mutual Funds	Own	8,890.99	4,180.54	6,591.27	Investments
Guarantees	Own	101.75	-	112.64	For Suppliers / Customers

For and on behalf of the Board

Sd/-

Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

Sd/-

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Place: Mumbai
Date : August 4, 2023

Annexure ‘6’

FORM AOC -2

Form of disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of Material Contracts or arrangements or transactions at Arm’s Length Basis							
Name of The Related Party and nature of relationship	Nature of Contract	Duration Of Contract	Salient terms	Justification for the Contract	Date(s) of Board Approval	Advance if any	Date of Special Resolution of shareholders
Mr. Surendrakumar Tibrewala (Chairman & Managing Director)	Remuneration to Managing Director	3 years 01/10/2022 to 30/09/2025	Remuneration upto Rs. 5 crores with minimum salary restricted upto 1,20,00,000/- p.a. and retirement benefits in case of inadequate profits.	Requirement of Section 203 of Companies Act, 2013	28/04/2022	NIL	05/08/2022
Mr. Surendrakumar Tibrewala (Chairman & Managing Director)	Office Premises on rent at Bandra	3 years 01/11/2021 To 31/10/2024	Security Deposit – Rs. 10,00,000 Monthly Rent- Rs. 85,000/- Subject to increment @15% Every 3 Years (Contract for use of premises for office)	Business Requirement	14/05/2019	Deposit Given	27/09/2019
Mr. Sanjay Tibrewala (Executive Director and CFO)	Remuneration to Whole- Time Director	3 years 01/10/2022 to 30/09/2025	Remuneration upto Rs. 5 crores with minimum salary restricted upto 1,20,00,000/- p.a. and retirement benefits in case of inadequate profits.	Requirement of Section 203 of Companies Act, 2013	28/04/2022	NIL	05/08/2022
Mr. Sanjay Tibrewala (Executive Director and CFO)	Office Premises on rent at Marol	3 years 01/07/2022 to 30/06/2025	Security Deposit – Rs. 10,00,000 Monthly Rent- Rs. 85,000/- Subject to increment @15% Every Years	Business Requirement	14/05/2019	Deposit given	27/09/2019
Aarti Jhunjhunwala- (Executive Director)	Remuneration to Whole- Time Director	3 years 14/08/2021 To 13/08/2024	Remuneration upto Rs. 1 crores with minimum salary restricted upto 90,00,000/- p.a. and retirement benefits in case of inadequate profits.	Requirement of Section 203 of Companies Act, 2013	17/06/2019	NIL	16/07/2021 (The Nomination & Remuneration Committee at its meeting held on 24/06/22 approved the increase in remuneration w.e.f 01/07/2022)
Kanaklata Tibrewala	Factory Premises on rent at Mahape, Navi Mumbai.	3 years 01/11/2021 to 31/10/2024	Security Deposit – Rs. 10,00,000 Monthly Rent- Rs. 40,000/- (Till 31/10/2022) Rs. 95,000/- (w.e.f 01/11/2022) [Contract for use of premises for office]	Business Requirement	14/05/2019	Deposit given	27/09/2019

Details of Material Contracts or arrangements or transactions at Arm's Length Basis							
Name of The Related Party and nature of relationship	Nature of Contract	Duration Of Contract	Salient terms	Justification for the Contract	Date(s) of Board Approval	Advance if any	Date of Special Resolution of shareholders
Kanaklata Tibrewala	Office premises on rent at Bandra, Mumbai	3 years 01/11/2021 to 31/10/2024	Security Deposit – Rs. 10,00,000 Monthly Rent- Rs. 1,00,000/- Subject to increment @15% Every 3 Years	Business Requirement	14/05/2019	Deposit given	27/09/2019
Proton Biochem Private Limited	Sale/Purchase of goods and services of all kinds giving loans & advances for business purpose	3 years 01/01/2022 to 31/03/2024	Sale/Purchase of goods and services of all kind upto Rs. 10 (Ten) Crores per annum with a deposit of Rs. 60 Crore	Business Requirement	14/05/2019	NIL	27/09/2019
Fineotex Malaysia Limited (Wholly owned Subsidiary)	Investment / Loans and Sale /Purchase of goods and services of all kinds	5 years 01/04/2019 to 31/03/2024	Investment as Capital of Wholly owned subsidiary and receipt of dividend. Maximum amount upto per transaction of Rs. 10 crores per annum	Business Requirement	14/05/2019	NIL	27/09/2019
Fineotex Specialities Private Limited (Wholly owned Subsidiary)	Property given on Lease (Industrial Plot No. A-669, TTC Industrial Area, Mahape, Navi Mumbai	3years 1/10/2020 to 30/09/2023	Security Deposit – Rs. 3,00,000 Monthly Rent- Rs. 75000/- Subject to increment @5% Every 3 Years	Business Requirement for office premises	27/02/2020	Deposit Taken	-
Fineotex Specialities Private Limited - (Wholly owned Subsidiary)	Property given on Lease (MIDC Plot No-B/24 Additional Ambarnath Area, District- Thane)	3years 15/02/2021 to 14/02/2024	Security Deposit – Rs. 3,00,000 Monthly Rent- Rs. 75000/- Subject to increment @5% Every 3 Years	Business Requirement for office premises	22/01/2021	Deposit Taken	-
Fineotex Specialities Private Limited - (Wholly owned Subsidiary)	Investments/ Loans, and Sale / Purchase of goods and services of all kinds	05/09/2020 to 31/03/2024	Rs.50 Crores (Rupees Fifty Crore Only) per annum	All types of Business Transactions	22-04-2021	NIL	16/07/2021
Manya Manufacturing India Private Limited	Property taken on Lease (of Office Premises, being Survey No. 49/1/1, Vijaypur, Taluka;wada, District; Palghar.) Investments/ Loans/advances deposits etc. Sale/ Purchase of goods and services of all kinds including renting and also dispose of the Company's investment partly or fully	2 years 01/04/2022 to 31/03/2024	Rs.10 (Ten) Lakh per annum. Monthly rent not exceeding Rs. 80,000 per month. Refundable Security- Rs. 1,25,00,000	All types of business transactions.	14-05-2019	Deposit Given	-

FINEOTEX CHEMICAL LIMITED

Details of Material Contracts or arrangements or transactions at Arm's Length Basis							
Name of The Related Party and nature of relationship	Nature of Contract	Duration Of Contract	Salient terms	Justification for the Contract	Date(s) of Board Approval	Advance if any	Date of Special Resolution of shareholders
BT Chemicals SDN BHD (Subsidiary of FML) 2nd Tier Subsidiary	Investment/ Loans and Sale/ Purchase of goods and services of all kind	5 years 01/04/2019 to 31/03/2024	Rs.50 Crores (Rupees Fifty Crore Only) per annum	All Type of Business Transactions	14-05-2019 and 22-04-2021	NIL	16/07/2021
BT Biotex SDN BHD- (Subsidiary of FML) 2nd Tier Subsidiary	Investment/ Loans and Sale/ Purchase of goods and services of all kind	5 years 01/04/2019 to 31/03/2024	Rs.10 Crores (Rupees Ten Crore Only) per annum	All Type of Business Transactions	14-05-2019	NIL	27/09/2019
Rovatex (Subsidiary of FML) 2nd Tier Subsidiary	Investment/ Loans and Sale/ Purchase of goods and services of all kind	5 years 01/04/2019 to 31/03/2024	Rs.10 Crores (Rupees Ten Crore Only) per annum	All Type of Business Transactions	14-05-2019	NIL	27/09/2019
Fineotex Biotex HealthGuard FZE	Investment / Loans and Sale / Purchase of goods and services of all kinds	5 years 01/04/2019 to 31/03/2024	Rs.10 Crores (Rupees Ten Crore Only) per annum	All Type of Business Transactions	14-05-2019	NIL	27/09/2019
BT Biotex Limited (Wholly Owned Subsidiary of Fineotex Malaysia Limited)	Investments/ Loans, Sale/ Purchase of goods and services of all kinds	10/11/2020 to 31/03/2024	Rs.50 Crores (Rupees Fifty Crore Only) per annum	All Type of Business Transactions	22-04-2021	NIL	16/07/2021
Hemant Auti - Company Secretary	Employee	14/08/2019 till 07/12/2022	Company Secretary and Compliance Officer	Appointment of KMP	13/08/2019	NIL	Not Required
Sunny Parmar - Company Secretary	Employee	13/12/2022 till superannuation	Company Secretary and Compliance Officer	Appointment of KMP	13/12/2022	NIL	Not Required

Sd/-
Surendrakumar Tibrewala
 (Chairman & Managing Director)
 DIN: 00218394

Sd/-
Sanjay Tibrewala
 (Executive Director & CFO)
 DIN: 00218525

Place: Mumbai
 Date : August 4, 2023

“Annexure - 7”

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023**

1. Brief outline on CSR policy of the Company:

Fineotex Chemical Limited (“the Company”) actively contributes to the socio-economic development and welfare of the society to build a better sustainable way of life. The policy encompasses the Company’s philosophy for outlining its social responsibility and lays down the guidelines and mechanism for undertaking socially useful and valuable programmes the sustainable development of the community at large. The aim of the Company is to deliver sustainable value to all the stakeholders. The Company had adopted CSR Policy as recommended by the CSR Committee and duly approved by the Board of Directors, pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. Composition of Committee:

As on 31st March 2023, CSR Committee of the Company consists of three (3) Directors which include one (1) Independent Director. The Composition of the CSR Committee is set out below:

Sr. No.	Name of the Director	Designation /Nature of Directorship	Number of CSR Committee meetings held during the year	Number CSR Committee meetings attended during the year
1.	Surendrakumar Tibrewala	Executive Director, Chairman	2	2
2.	Sanjay Tibrewala	Executive Director, Member	2	2
3.	Bindu Shah	Independent Director, Member	2	2

3. The web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company at:

<https://fineotex.com/wp-content/uploads/2022/01/Corporate-Social-Responsibility-Policy.pdf>

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

5. (a) Average net profit of the Company as per Section 135(5) **Rs. 3,759.79 Lakhs**

(b)	2% of the average net profit of the company as per Section 135(5) =	Rs. 75.20 Lakhs
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous Financial Year	NIL
(d)	Amount required to be set off for the Financial Year, if any	Rs. 2.01 Lakhs
(e)	Total CSR Obligation for the financial year (b+c-d)	Rs. 73.19 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) **Rs. 100.37****

(b) Amount spent in Administrative Overheads **Nil**

(c) Amount spent on Impact Assessment, if applicable **Nil**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] **Rs. 100.37****

(e) CSR amount spent or unspent for the financial year:

Total amount spent for the Financial Year	Amount Unspent (in Rs.)				
	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
Rs. 100.37**	NA				

**The amount spent on CSR activities for the financial year includes the set-off of excess amount spent by the Company on CSR activities in the previous financial years of Rs. 2.01 Lakhs.

(f) Excess Amount for set off, if any

Si. No.	Particulars	Amount (in Rs.) In Lakhs
(i)	2% of the average net profit of the company as per Section 135(5)	75.20
(ii)	Total Amount Spent for the Financial year	100.37**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	25.17
(iv)	Surplus arising out of the CSR Projects or Programmes or activities of the Previous Financial Years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	25.17

***The amount spent on CSR activities for the financial year includes the set-off of excess amount spent by the Company on CSR activities in the previous financial years of Rs. 2.01 Lakhs.*

7. (a) Details of Unspent CSR amount for the Preceding Three Financial Years:

1	2	3	4	5	6		7	8
SI. No.	Preceding FY	Amount transferred to Unspent CSR Account for the Project as per section 135(6) (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) section 135(5), if any		Amount remaining to be spent in succeeding FY (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
NIL								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135 : **Not Applicable**

Sd/-
Surendrakumar Tibrewala
Chairman CSR Committee
DIN: 00218394

Sd/-
Sanjay Tibrewala
Executive Director
DIN: 00218525

Place: Mumbai
Dated: August 4, 2023

“Annexure - 8”
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR FINANCIAL YEAR ENDED ON 31ST MARCH, 2023.

*[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,
FINEOTEX CHEMICAL LTD.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FINEOTEX CHEMICAL LIMITED** (hereinafter called “The Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, to the extent applicable provisions of:

- I. The Companies Act, 2013 (“The Act”) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder;
- III. SEBI (Depositories and Participants) Regulations, 2018
- IV. 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;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) to the extent applicable to the Company: -
 - 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - e. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - f. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, & 2014 & SEBI (Issue of Sweat Equity) Regulations, 2002 to the extent applicable as repealed w.e.f August, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - g. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited.
- VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company being in Chemical Sector as given below:
 - (I) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards.
 - (II) Water (Prevention and Control of Pollution) Act, 1975 and Rules issued by the State Pollution Control Boards.

We have also examined compliances with the applicable clauses of the following:

- i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the year under review, the Company in general has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Obligations mentioned elsewhere above:

We further report that:

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 year under review were carried out in compliance with the provisions of the Act.

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 the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are 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.

We further report that during the Audit period

1. Board accepted resignation of Mr. Anand Patwardhan (DIN: 08908877) as Independent Non-Executive Director of the Company w.e.f 16th May, 2022.
2. The Company in its 19th Annual General Meeting held on Friday; 5th August, 2022 passed following resolutions:
 - a) An Ordinary Resolution pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) for Ratification of Remuneration payable to Cost Auditor of the Company for the financial year ended March 31, 2023.
 - b) A Special Resolution pursuant to Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for re-appointment of Mr. Surendrakumar Tibrewala as Managing Director of the Company for a period of three year from 1st October, 2022 to 30th September, 2025 and fixation of his remuneration.
 - c) A Special Resolution pursuant to Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for re-appointment of Mr. Sanjay Tibrewala as Whole-Time Director of the Company for a period of three year from 1st October, 2022 to 30th September, 2025 and fixation of his remuneration.
 - d) A Special Resolution for Raising of Funds Through Issue of Securities pursuant to Section 23, 42, 62 and other applicable provisions of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities), Rules, 2014, The Companies (Share Capital and Debentures) Rules, 2014 read with SEBI (ICDR), Regulations, 2018 and SEBI (LODR) Regulations, 2015. However, as on the date of signing of this report company has not initiated any action for giving effect to aforesaid resolution.
3. Company approved the final Dividend during the Annual General Meeting of Rs.0.40 (Forty Paise) per equity share of Rs. 2/- each. Board transferred 70 (Seventy) Equity Shares and Rs.11,077/- (Rupees Eleven Thousand Seventy Seven Only) as unpaid and unclaimed dividend to IEPF authority for the financial year ended 2014-2015 pursuant to section 124(5) of the Companies Act, 2013 read with applicable rules made thereunder. Board of Directors also transferred Rs. 763.60/- (Rupees Seven Hundred and Sixty Three Sixty Paise only) to IEPF authority by filing e-form IEPF-7 pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
4. The Company has obtained a Credit Rating from ICRA (ICRA A) for long term bank facilities and (ICRA A1) for short term facilities. Further the Company has obtained revised credit rating from CRISIL A/Stable from CRISIL A-/Stable for the long term bank facilities and CRISIL A1 from CRISIL A2+ for the short term bank facilities.
5. Nomination & Remuneration had earlier granted 20,000 options to Mr. Arindam Choudhuri (CEO) out of which 18,186 options were surrendered by Mr. Arindam Choudhuri (CEO). Also, Nomination & Remuneration Committee approved grant of 8,000 stock options to Mr. Arindam Choudhuri (CEO) as per Fineotex Chemical Limited- Employees Stock Option Scheme - 2020 ("FCL-ESOP 2020") in its meeting held on 4th November, 2022 as per SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021.
6. In terms of Regulation 24(1) of SEBI (LODR), Regulations, 2015, board appointed Independent Director on the board of Directors of an unlisted material subsidiary, incorporated outside India w.e.f 11th October, 2022. Thus, Board Complied with 24(1) of SEBI (LODR), Regulations, 2015.
7. Board appointed one its employees, a commerce graduate and semi-qualified professional as Internal Auditor of the Company pursuant to section 138 of the Companies Act, 2013.

8. Board accepted resignation of Mr. Hemant Auti as Company Secretary & Compliance Officer w.e.f 7th December, 2022 and Board appointed Mr. Sunny Parmar as Company Secretary & Compliance Officer w.e.f 13th December, 2022.
9. NSE had a virtual inspection of SDD software maintained by the Company and had given certain observation; Subsequent to the observation of the NSE, Company had submitted the clarification and the Company has installed software to meet the due compliances requirements under SDD.

For HSPN & Associates LLP
Company Secretaries

Hemant S. Shetye
Designated Partner
FCS No.: 2827
CP No.: 1483

Date: 04th August, 2023
Place: Mumbai

ICSI UDIN: F002827E000740894
Peer Review No: 2507/2022

This report is to be read with our letter of even date which is annexed as Annexure– I and forms an integral part of this report.

ANNEXURE - I

To,

The Members,

FINEOTEX CHEMICAL LTD.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We 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 Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company. We have have relied upon the Financial Statements provided by the management & the reports issued by Statutory Auditor & Internal Auditor wherever required.
4. Wherever required, we have obtained 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. Our 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 of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For HSPN & Associates LLP
Company Secretaries

Hemant S. Shetye
Designated Partner
FCS No.: 2827
CP No.: 1483

Date: 04th August, 2023
Place: Mumbai

ICSI UDIN: F002827E000740894
Peer Review No: 2507/2022

“Annexure – 9”**CORPORATE GOVERNANCE REPORT**

The Directors present the Report on Corporate Governance of the Company pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the year ended 31st March, 2023 on the matters mentioned in the said regulation and lists the practices followed by the Company in compliance with the SEBI (LODR) Regulations.

1. Company's Philosophy on Corporate Governance

Corporate Governance refers to, but not limited to, a set of laws, regulations, good practices and systems that enable an organization to perform efficiently and ethically to generate long-term wealth and create value for all its stakeholders. Sound governance practices and responsible corporate behavior contribute to superior long-term performance of an organization. Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders through ethically driven business processes.

Company's philosophy on the code of governance centers on promoting responsible business practices that prioritize the well-being of customers, stakeholders, and the environment. The Company believes that effective governance requires transparency, accountability, integrity, and assurance in all aspects of the business. To achieve this, the company's code of governance establishes clear policies and procedures for ensuring compliance with regulatory requirements and industry standards, as well as providing guidance for ethical behavior and decision-making. The Company focuses on creating an organization intended to maximize the wealth of shareholders, establish productive and lasting relationships with all shareholders with the emphasis laid on fulfilling the responsibility towards the entire community and society. The Company's products are marketed not only in India but also across the globe. The Company is, therefore, conscious of the fact that the management and the employees need to work ethically to achieve success.

The Company is committed to the principles of good corporate governance to achieve long term corporate goals and to enhance shareholders value by managing its operations at all levels with highest degree of transparency, responsibility and delegation with equity in all facets of its operations leading to sharp focus and operationally efficient growth. The spirit of Corporate Governance has prevailed in the Company and has influenced its decisions and policies. The strong internal control system and procedures and codes of conduct for observance by the Company's Directors and employees are conducive in achieving good corporate governance practices in the Company.

The Company conforms to the requirements of the Corporate Governance as stipulated in Part C of the Schedule V of the SEBI Listing Regulations that are implemented in a manner so as to achieve the objectives of the principles stated in the clause with respect to rights of shareholders, role of stakeholders in Corporate Governance, Disclosure and Transparency, responsibilities of the Board and other responsibilities prescribed under these regulations.

2. Board of Directors ("Board")

The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities, and duties. The Board is at the core of our Corporate Governance practice, it oversees and ensures that the management serves and protects the long-term interest of all our stakeholders. SEBI Listing Regulations mandate that the Board of Directors shall comprise of not less than 6 (six) Directors with an optimum combination of executive and non-executive Directors with at least 1 (one) Independent Woman Director (for top 1000 listed entities) and not less than fifty percent of the Board of Directors shall comprise of non-executive Directors and for a Company with a non-executive Chairman, at least one-third of the Board should comprise of Independent Directors and where the listed entity does not have a regular Non-Executive Chairperson, at least half of the Board of Directors shall comprise of Independent Directors and where the regular Non-Executive Chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of Board of Director or at one level below the Board of Directors, at least half of the Board of Directors of the listed entity shall consist of Independent Directors.

Composition of Board

The Company has a balanced mix of Executive and Non-Executive Independent Directors in accordance with SEBI Listing Regulations. As on 31st March 2023, the total number of Directors on the Board are seven (7); of which, three (3) including the Chairman are Executive Directors and four (4) are Non-Executive Independent Directors, including one (1) Independent Woman Director. The composition of the board is compliant with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. All the Directors have confirmed that they are not debarred from holding the office of Director by virtue of any order by SEBI Regulations or any other authority as amended.

Name of the Director	Category	No. of shares held in the Company	No. of Board Meetings Attended	Whether attended last AGM	+No of outside Directorship in other Public Companies	++No of other Committee Chairman/ Members		Inter-se Relationship between Directors
						Chairperson	Member	
Mr. Surendrakumar Tibrewala (DIN 00218394)	Chairman & Managing Director (Promoter)	6,12,31,286	6	Yes	Nil	-	-	Father of Mr. Sanjay Tibrewala and Mrs. Aarti Jhunjhunwala
Mr. Sanjay Tibrewala (DIN 00218525)	Executive Director (Promoter)	34,34,990	6	Yes	Nil	-	2	Son of Mr. Surendrakumar Tibrewala and Brother of Mrs. Aarti Jhunjhunwala
Mrs. Aarti Jhunjhunwala (DIN 07759722)	Executive Director (Promoter)	81,050	6	Yes	Nil	-	-	Daughter of Mr. Surendrakumar Tibrewala and Sister of Mr. Sanjay Tibrewala
Mr. Alok Dhanuka (DIN 06491610)	Non – Executive Independent Director	NIL	5	Yes	Nil	1	1	-
Mr. Navin Mittal (DIN 03555295)	Non – Executive Independent Director	NIL	5	Yes	Nil	-	-	-
CS (Mrs.) Bindu Darshan Shah* (DIN 07131459)	Non – Executive Independent Director	NIL	6	Yes	Kamadgiri Fashion Limited (KFL) #JBF Industries Limited	2	2	-
Dr. Sunil Waghmare (DIN 08906042)	Non - Executive Independent Director	NIL	5	Yes	Nil	-	-	-
Mr. Anand Patwardhan (DIN 08908877) **	Non - Executive Independent Director	NIL	-	-	-	-	-	-

*Woman Independent Director

** Resigned as Independent Director with effect from 16th May, 2022

+ Directorships held by the Directors as mentioned above, exclude Directorships held in Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

++ In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of two Committees viz. Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies is to be considered.

Mrs. Bindu Shah has been appointed as an Independent Director on the Board of JBF Industries Limited with effect from 25th April, 2023.

During the Financial Year 2022-23, Mr. Anand V Patwardhan - Independent Non-Executive Director (DIN: 08908877) have resigned from the Directorship of the Company with effect from May 16, 2022 due to additional responsibilities from another state for the post of Deputy Director Bhubaneswar Campus (Odisha State). Further he has also confirmed that there are no other material reasons attributable/connected with the Company for his resignation. The Company places on record its deep appreciation for the contributions of Mr. Anand Patwardhan during his tenure as Independent Director of the Company.

Further, in the opinion of the Board, all the Independent Directors of the Company satisfy the criteria/conditions of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and they have also registered in the data bank of Independent Director and renewed their registrations as required under Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Independent Directors of the Company have complied with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 by passing online proficiency self-assessment test or exempted therefrom as per the Rule. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or affect their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

In compliance with Regulation 17A of the SEBI Listing Regulations none of the Directors including Independent Directors on the Board hold Directorship in more than 7 (Seven) listed entities and none of the Executive Directors is an Independent Director in any Listed Company. None of the Directors on the Board is a member of more than 10 (Ten) Committees or act as Chairperson of more than 5 (Five) Committees across all the Companies in which he/she is a Director, in compliance with Regulation 26(1) of the SEBI Listing Regulations. For the purpose of determination of limit of Chairpersonship and Membership, the Audit Committee and the Stakeholders' Relationship Committee alone have been considered.

All the Directors possess requisite qualification and experience in general corporate management, risk management, finance, marketing, legal and other allied fields, which enable them to contribute effectively to your Company by providing valuable guidance and expert advice to the Management and enhance the quality of Board's decision-making process. Detailed profiles of the Directors is enumerated below.

Profile of the Directors

Mr. Surendrakumar Tibrewala is the Chairman and Managing Director of the Company. He is a Commerce as well as a Law Graduate. He has four decades of rich experience in the Chemicals & Enzymes for various industries namely Textiles & Garments, Construction, Water Treatment, Leather, Paper, Paint, Adhesives etc. He was instrumental in growing the business from scratch to one of the leading companies in this sector. With a wealth of experience and expertise in the field, he has played a significant role in shaping the Company's growth and success. Mr. Surendrakumar Tibrewala's role as the Director of Fineotex Chemical Limited reflects his exceptional leadership, extensive knowledge, and dedication to the chemical industry. With his visionary approach and focus on sustainable solutions, he continues to steer the company towards new heights of success, solidifying its position as a frontrunner in the market.

Mr. Sanjay Tibrewala has been associated with the Company's business for the last 22 years. He is a Commerce Graduate and has also completed Post Graduation with specialization in Textile Processing and Chemicals from SASMIRA University. Under his guidance,

Fineotex Chemical Limited has achieved remarkable milestones and garnered recognition both nationally and internationally. Through strategic planning and execution, he has successfully expanded the company's product portfolio and market reach. The Company's products have a growing acceptance internationally and has helped the Company achieve the Star Exporter credentials. His passion for innovation and commitment to excellence have contributed to Fineotex Chemical Limited's position as a market leader.

Mr. Navin Mittal is a graduate. He has a sound knowledge and experience in the steel business, through which the Company has benefitted in the expansion activity. He was originally appointed as a Director on 2nd September, 2011. Thereafter with the notification of Companies Act, 2013 at the 12th Annual General Meeting held on 28th September, 2015 he was appointed as an Independent Director for his first term within the provisions of Section 149(4) of the Companies Act, 2013 for a period of 5 (Five) years. At the 17th Annual General Meeting held on 29th September, 2020 he was re-appointed for the second term of 5 (Five) years and he will hold the office till September 2025. Mr. Navin Mittal is a member of Nomination and Remuneration Committee of the Board. His skill in management of business especially with relation to steel and its uses in various sectors has significantly helped the Company.

Mr. Alok Dhanuka has completed his Masters of Business Administration in Finance. He is a highly skilled professional with extensive experience in the field of exports business. Mr. Alok Dhanuka was appointed as an Independent Director of the Company on 11th February, 2013. Further he was re-appointed as Independent Director as per the provisions of Section 149(4) of the Companies Act, 2013 for a period of 5 (Five) years at the 11th Annual General Meeting held on 23rd September, 2014. His term of office as an Independent Director was liable to expire on 22nd September 2019 and thus, at the 16th Annual General Meeting held on 27th September, 2019 he was re-appointed for the second term of 5 (Five) years and he will hold office till September 2024.

Mrs. Aarti Jhunjhunwala has completed her Masters in Accounts and Taxation. She has been involved in the family business for several years and has sound knowledge of the products and market in which the Company operates. Her industry knowledge, customer-centric approach and leadership abilities has been instrumental in the Company's growth and success. Over the years, she has played a major role in the company's growth, overseeing various functions such as business development, sales, branding, strategy, and new growth initiatives. She has actively pursued global strategic alliances for the Company, allowing the company to benefit from its leading-edge technologies and cleaner processes. She was appointed as an Additional Director w.e.f. from 14th August, 2018. The Shareholders at the 15th Annual General Meeting held on 28th September, 2018 approved the appointment of Mrs. Aarti Jhunjhunwala as an Executive Director. She was re-appointed as Executive Director for a further period of three years with effect from 14th August, 2021 at the 18th Annual General Meeting. She is an Executive Director belonging to the Promoter group and liable to retire by rotation. She shall hold office as Executive Director for a period of 3 years subject to her re-appointment. Further her appointment also meets the obligation of the Company under Section 149(1) of the Companies Act, 2013.

CS (Mrs.) Bindu Darshan Shah is Practicing Company Secretary for several years. She is an accomplished and dedicated professional who excels in the field of company secretarial practice. With her extensive knowledge and expertise in corporate laws and governance, she has become a trusted advisor to numerous companies. Earlier she worked with an International Bank and thus she also has fine experience in Banking and Finance sectors as well. CS (Mrs.) Bindu Darshan Shah was appointed as an Independent Director at the Board Meeting held on 14th July, 2020. Her appointment was confirmed by the shareholders at the 17th AGM held on 29th September, 2020. The appointment of CS (Mrs.) Bindu Darshan Shah is also as per the requirements of the law as an Independent Woman Director on the Board of our Company.

Dr. Sunil Vasant Waghmare is an accomplished professional with a Ph.D from university of Pune. He has profound knowledge of QA/QC, analytical development, safety, legal, and quality compliances and his also a member of various societies connected with Chemistry. Dr. Sunil Vasant Waghmare is also Post-Doctoral Researcher at various institution & universities of repute. He was appointed as an Independent Director by the Board on 31st October, 2020. His experience and knowledge would be of great value to the Company.

Board procedure and access to information

The Board is responsible for the management of the business of the Company and meets regularly to discharge its role and functions. The Board of the Company reviews all information provided periodically for discussion and consideration at its meetings as provided under the Companies Act, 2013 (including any amendment and reenactment

thereof) and SEBI Listing Regulations inter alia the agendas mentioned in Part A of Schedule II of SEBI Listing Regulations. Detailed agenda, setting out the business to be transacted at the meeting(s) is circulated to the Directors well in advance as stipulated under the Act and Secretarial Standard – 1 (“SS-1”). All material information is incorporated in the detailed agenda for facilitating meaningful and focused discussion at the meetings. Where it is not practicable to enclose any document to the agenda, the same are placed before the meeting. Additional item(s) on the agenda, if required, can be discussed at the meeting. The Board meets at least once in a quarter to approve the quarterly results and other items on the agenda. Additional meetings are held, as and when necessary.

The minutes of the Board Meetings are circulated in advance as per the requirement of SS-1 to all the Directors and confirmed at subsequent meeting. The Board also periodically reviews compliance by the Company with the applicable laws/ statutory requirements concerning to the business and affairs of the Company and reviews the declarations made by the Managing Director & CEO/Chief Financial Officer of the Company regarding compliance of all applicable laws on a quarterly basis.

Meetings of the Board of Directors

During the Financial Year 2022-23, the Board met 6 (Six) times. The maximum gap between two Board Meetings held during the year was not more than 120 days. The meeting attendance by each Director are given below:

Type of Meeting	Board	Board	Board	Board	Board	Board	AGM
Director’s Name / Date of Meeting	28/04/2022	24/06/2022	29/07/2022	04/11/2022	13/12/2022	27/01/2023	05/08/2022
Mr. Surendrakumar Tibrewala	P	P	P	P	P	P	P
Mr. Sanjay Tibrewala	P	P	P	P	P	P	P
Mr. Navin Mittal	P	P	P	P	A	P	P
Mr. Alok Dhanuka	P	P	P	P	A	P	P
Mrs. Aarti Jhunjunwala	P	P	P	P	P	P	P
CS (Mrs) Bindu Darshan Shah	P	P	P	P	P	P	P
Dr. Sunil Vasant Waghmare	P	P	P	P	A	P	P
Mr. Anand Patwardhan	A	NA	NA	NA	NA	NA	NA

P = Present, A= Absent, NA=Not Applicable

Separate Meeting of Independent Directors

Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of Non-Independent Directors and Members of the Management. During the Financial Year 2022-23, 1 (One) separate meeting of Independent Directors was held on January 27th, 2023 without the presence of the Non-Independent Directors and the members of the Management. The Independent Directors discussed on the matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole including the Chairperson of the Company (considering the views of the Executive Directors), assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board, so that the Board can effectively and reasonably perform its duties.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance, of individual Directors and that of the Audit Committee. Feedback was sought by way of a structured questionnaire covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was done, based upon the responses received from the Directors. The entire Board (excluding the Director being evaluated) carried out the performance evaluation of the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Familiarisation Programme for Independent Directors

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2022-23, the Company imparted Familiarization

Programme to Independent Directors to acquaint them about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, Prohibition of Insider Trading Regulations, SEBI Listing Regulations, etc. The details of the familiarisation programme are available on the website of the Company at <https://fineotex.com/wp-content/uploads/2023/02/FCL-Familiarization-Programme-2022-23.pdf>

Code of Conduct

The Board of Directors has laid down a Code of Conduct for all the Board Members and Senior Management of the Company in compliance with the requirements of the Listing Agreement and Regulation 17(5) of the SEBI (LODR) Regulations. All the Board of Directors and Senior Management have affirmed with the Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Chairman & Managing Director has been annexed to the Corporate Governance Report. The policy on the code of conduct of the Company may be accessed through the web link <https://fineotex.com/wp-content/uploads/2021/08/Code-of-Conduct-for-Directors-and-Senior-Management.pdf>

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons

The Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons (Insider Trading Code) under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. SEBI has notified several amendments to SEBI Insider Trading Regulations pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which were effective from 1st April, 2019. In accordance with the said amendments to the SEBI Insider Trading Regulations, it was, inter alia, required to amend/formulate the following: i) Code of Conduct to Regulate, Monitor and Report trading by Designated Persons ii) Formulate a Policy for determination of ‘legitimate purposes’ as a part of ‘Code of Fair Disclosure and Conduct’. The Code of Conduct to regulate, monitor and report trading by Designated Persons and the Code of Fair Disclosure and Conduct have been intimated to the Stock exchanges and have been uploaded on website of the Company.

Brief Note on the Director seeking re-appointment at the 20th Annual General Meeting

As required under Regulation 36(3) of SEBI Listing Regulations, the Company has furnished information relating to the Director retiring by rotation and seeking re-appointment in the Notice convening the 20th AGM. Shareholders may kindly refer to the same. Brief profile of liable to retire by rotation is given separately in the Notice convening the 20th AGM.

Key Board qualifications, expertise and attributes

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company’s aforesaid businesses for it to function effectively and those available with the Board as a whole.

- i) **Understanding of Business/Industry:** Experience and knowledge of the area of operation and associated businesses.
- ii) **Sales & Marketing:** Understanding of the products and the markets in order to guide the sales & marketing team to approach the right audience.
- iii) **Production:** Knowledge of chemical components to produce tailor made products to meet the needs of varied customers for the entire value chain of the production process.
- iv) **International Business Understanding:** In-depth knowledge of the product requirements of different geographies /markets around the world.
- v) **Financial Analysis:** Sound understanding and ability to read and understand the financial statements and financial controls.
- vi) **General Management:** Strategic thinking & decision making protect the interest of all stakeholders.
- vii) **Technical & professional Skills** including legal & regulatory aspects.

In the table below, the specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of a mark against a member’s name does not necessarily mean the member does not possess the corresponding qualification or skill

Name of Director	Understanding of Business/ Industry	Sales & Marketing	Production	International Business Understanding	Financial Analysis	General Management	Tech & Professional Skill including legal and regulatory
Surendrakumar Tibrewala	√	√	√	×	√	√	√
Sanjay Tibrewala	√	√	√	√	√	√	√
Aarti Jhunjhunwala	√	√	×	√	×	√	√
Alok Dhanuka	√	√	×	√	√	×	×
Navin Mittal	√	√	×	×	√	√	√
Dr Sunil Waghmare	√	×	×	×	×	√	√
CS (Mrs) Bindu Shah	√	×	×	×	√	√	√

3. Board Committees

To effectively discharge the obligations and to comply with the statutory requirements, the Board has constituted six Board committees, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders' Relationship Committee and Whistleblowing Committee collectively referred to as 'Committees'. The terms of reference of the Committees are determined by the Board from time to time in accordance with the provisions of the Listing Regulations and the Companies Act, 2013 and operate under the supervision of the Board.

The role and composition of Board Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

I) Audit Committee

Composition, Meeting and Attendance:

The Company has a constituted an independent qualified Audit Committee. All members of the audit committee have sound knowledge on the financial matters and ability to read and understand financial matters.

The Audit Committee reconstituted itself at its meeting held on 17th January, 2022. The committee comprises of three (3) Directors which includes as two (2) Independent Director. Mrs. Bindu Shah, Independent Director is the Chairman of the Company and Mr. Sanjay Tibrewala and Mr. Alok Dhanuka are the members of the committee. Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Committee met 4 (Four) times during the year and the attendance of each member of the committee is given below:

Name of Director	28/04/2022	29/07/2022	04/11/2022	27/01/2023
Mrs. Bindu Shah	P	P	P	P
Mr. Alok Dhanuka	P	P	P	P
Mr. Sanjay Tibrewala	P	P	P	P

P = Present A= Absent, NA= Not Applicable

Terms of reference:

The present terms of reference of the Audit Committee are aligned as per the provisions of Section 177 of the Companies Act, 2013 and include the roles as laid out in Part C of Schedule II of the SEBI Listing Regulations. The brief description of the terms of reference of the Audit Committee are in conformity with the Companies Act, 2013 and the SEBI Listing Regulations and the same are as follows:

1. Oversight of financial reporting process and disclosure of its financial information.

2. Reviewing with the management, the annual financial statements, quarterly financial statements, auditors' report/ limited review report.
3. Recommendation for appointment, remuneration and term of appointment of auditors.
4. Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process.
5. Scrutiny of inter-corporate loans and investments.
6. Evaluation of internal financial controls and risk management systems.
7. Reviewing with the management, performance of statutory Auditors and internal auditors, adequacy of internal control systems.
8. Reviewing the adequacy of internal audit function.
9. Reviewing the functioning of the whistle blower mechanism.
10. Reviewing the statement of significant related party transactions.
11. Reviewing the internal audit reports

As stipulated, in Part C of Schedule II of SEBI Listing Regulations, the Audit Committee also reviews management discussion and analysis of financial performance, statement of significant related party transactions submitted by management and Internal Audit Reports relating to internal control weaknesses and appointment/removal and terms of remuneration of Internal Auditor.

The Audit Committee may also review such matters as considered appropriate by it or referred to the Committee by the Board.

II) Nomination & Remuneration Committee

Composition, Meeting and Attendance:

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 as well as in terms of Regulation 19 of the SEBI Listing Regulations comprising of requisite number of Independent Directors. Mrs. Bindu Shah the Independent Director is the Chairman of the Committee. Mr. Alok Dhanuka and Mr. Navin Mittal are the members of the Committee. The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

The Committee met 3 (Three) times during the year. The details of meetings attended by each of the members are given below:

Name of Director	24/06/2022	04/11/2022	13/12/2022
Mrs. Bindu Shah	P	P	P
Mr. Alok Dhanuka	P	P	P
Mr. Navin Mittal	P	P	P

P = Present A= Absent NA= Not Applicable.

Terms of reference:

The present terms of reference of the Nomination and Remuneration Committee is aligned as per the provisions of Section 178 of the Companies Act, 2013 and include the roles as laid out in Part D Para (A) of Schedule II of the SEBI Listing Regulations. The brief description of the terms of reference of the Nomination and Remuneration Committee in line with the Companies Act, 2013 and the SEBI Listing Regulations are as follows:

1. Formulation of the criteria for determining qualifications, positive attitudes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel, and other employees
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board and its Committees
3. Devising a policy on diversity of Board of Directors
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors
6. Review the performance and recommend to the Board, all remuneration in whatever form, payable to the senior management
7. For every appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and based on 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 an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.

Criteria for Performance Evaluation of Independent Directors:

The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Non-Executive Directors. The criteria are enumerated as below:

- a. Qualifications: Details of professional qualifications of the Independent Director.
- b. Experience: Details of prior experience of the Independent Director, especially the experience relevant to the entity.
- c. Knowledge and Competency of the Independent Director.

- d. How the Independent Director fares across different competencies as identified for effective functioning of the entity and the Board.
- e. Whether the Independent Director has sufficient understanding and knowledge of the entity and the sector in which it operates.
- f. Fulfilment of functions: Whether the Independent Director understands and fulfils the functions as assigned to him/her by the Board and the law (e.g. Law imposes certain obligations on Independent Directors).
- g. Ability to function as a team: Whether the Independent Director is able to function as an effective team- member.
- h. Initiative: Whether the Independent Director actively takes initiative with respect to various areas.
- i. Availability and attendance: Whether the Independent Director is available for meetings of the Board and attends the meeting regularly and timely, without delay.
- j. Commitment: Whether the Independent Director is adequately committed to the Board and the entity.
- k. Contribution: Whether the Independent Director contributed effectively to the entity and in the Board meetings.
- l. Integrity: Whether the Independent Director demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.).
- m. Independence: Whether Independent Director is independent from the entity and the other directors and there is no conflict of interest.
- n. Independent views and judgment: Whether the Independent Director exercises his/ her own judgment and voices opinion freely.

III) Stakeholders Grievances Committee

Composition, Meetings and Attendance:

The Company has constituted Stakeholders Grievances Committee of the Board of Directors to look into the redressal of investors' grievances. Mr. Alok Dhanuka is the chairman of the committee and Mr. Sanjay Tibrewala and Mrs. Bindu Shah are the members of the committee. The Company Secretary of the Company acts as the Secretary to Stakeholders Grievances Committee.

The Committee reviews the status of Investors' Complaints periodically relating to transmission of shares, issue of duplicate shares, and non-receipt of dividend, among others.

During the year, the Committee met 1 (One) time. The details of meeting attended by each of the members are given below:

Name of Director	27/01/2023
Mr. Alok Dhanuka	P
Mrs. Bindu Shah	P
Mr. Sanjay Tibrewala	P

P = Present A= Absent NA= Not Applicable.

Terms of reference:

1. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. To review measures taken for effective exercise of voting rights by shareholders
3. To review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent
4. To review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company
5. Such other matters as per the directions of the Board of Directors of the Company, which may be considered necessary in relation to shareholders and investors of the Company
6. Functions of the Committee as provided in Schedule II, Part “D”, Para “B” read with Regulation 20(4) of the SEBI Listing Regulations.

Name and Designation of Compliance Officer:

Mr. Sunny Parmar, Company Secretary, has been designated as Compliance Officer in terms of Regulation 6(1) (a) of the SEBI Listing Regulations. The shareholders may send their complaints directly to the Company Secretary, Fineotex Chemical Limited, 42, 43 Manorma Chambers, SV Road, Bandra (W), Mumbai – 400050 or may email at: investors.relations@fineotex.com. The Members can also contact on this number (+91) 2226559174 (Ext. 114)

Status of Investors’ Grievances:

During the year 2022-23 no complaints were received by the Registrar and Transfer Agents. The Company regularly updates the status of Investors Complaints on “SCORES”, an online portal introduced by SEBI for resolving investor’s complaints. There were no investors’ complaints pending at the end of the financial year on the SCORES. Certain grievances regarding re-validation of dividend warrants were received and were attended accordingly and no grievance was outstanding as on 31st March, 2023.

No share transfers/transmissions/issue of duplicate share certificates was pending as on 31st March, 2023.

IV) Corporate Social Responsibility Committee

Composition, Meetings and Attendance:

The Company in terms of Section 135(1) of the Companies Act, 2013 has constituted Corporate Social Responsibility Committee comprising of 3 (Three) members. The Committee comprises

of Mr. Surendrakumar Tibrewala, as the Chairman. Mr. Sanjay Tibrewala and Mrs. Bindu Shah as its members. The Company Secretary of the Company acts as the Secretary of the Committee.

During the financial year 2022-23, the Committee met 2 (Two) times. The CSR Policy of your Company is displayed on the Company’s website at <https://fineotex.com/wp-content/uploads/2022/01/Corporate-Social-Responsibility-Policy.pdf>

The details of meetings attended by each of the members are given below:

Name of Director	24/06/2022	27/01/2023
Mr. Surendrakumar Tibrewala	P	P
Mrs. Bindu Shah	P	P
Mr. Sanjay Tibrewala	P	P

P = Present, A= Absent, NA= Not Applicable.

The Company contributes to eligible trust established which are registered for the social cause to undertake CSR activities as per applicable provisions of Companies Act, 2013. These trust are pursuing various activities namely upliftment of socio-economic backward society by providing health, education and self-employment. The Committee will also monitor the usage of the funds in the desired activities on a regular basis.

The gross CSR liability of the Company for the year 2022-23 was Rs. 75.20 Lakhs. Further, the Company had spent an excess amount of Rs. 2.01 Lakhs for the financial year 2021-2022 which will be available for set off in immediate succeeding three financial years subject to the conditions provided in Rule 7 (3) of CSR Amendment Rules, 2021. Therefore after set off the net CSR liability of the Company for the period amounts to Rs. 73.19 Lakhs. The Company has spent an amount of Rs. 98.36 Lakhs on CSR activities for the period. Thus the excess amount spent shall be carried forward and will available for set off in immediate succeeding three financial years subject to the conditions provided in Rule 7 (3) of CSR Amendment Rules, 2021.

The details about the Corporate Social Responsibility are briefed in the Director’s Report along with Annexure 7 of the Director’s Report.

Terms of reference:

1. To formulate and recommend to the Board of Directors, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Schedule VII to the Companies Act, 2013.
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company.
3. To monitor the CSR policy of the Company from time to time.
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time

V) Risk Management Committee

Composition, Meetings and Attendance:

Through an Enterprise Risk Management Programme, our business units and corporate functions address risks through an institutionalized approach aligned to our objectives. This is facilitated by corporate finance. The Business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the Senior Management.

Our Company’s business is in a way very specialized with no standard product. The products are in the nature of specialties which enhance the processing performance which in the end increases the final utility of the products of the customers. The risks are therefore a bit higher than the standard business risks. But the strength of the Company is based on the ability to continuously innovate as per customers’ needs and grow.

As per the requirement of Regulation 21 of SEBI Listing Regulations the Risk Management Committee is constituted to frame, implement and monitor the risk management plan of the Company. Accordingly the Committee has been constituted consisting of Mr Surendrakumar Tibrewala, Chairman, Mr Sanjay Tibrewala and Mrs. Bindu Shah as Members. The Board takes responsibility for the overall process of risk management throughout the organisation.

The Committee met 2 (Two) times during the year and the details of meetings attended by each of the members are given below:

Name of Director	13/07/2022	06/01/2023
Mr. Surendrakumar Tibrewala	P	P
Mrs. Bindu Shah	P	P
Mr. Sanjay Tibrewala	P	P

P = Present A= Absent NA= Not Applicable.

Terms of reference:

The role and responsibility of the Risk Management Committee shall be as follows:

- To formulate a detailed risk management policy
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
- To periodically review the risk management policy by considering the changing industry dynamics and evolving complexity
- To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken
- To assist the Board with regard to the identification,

evaluation, classification and mitigation of non-financial risks and assess management actions to mitigate such risks

- To evaluate and ensure that the Company has an effective system internal control systems to enable identifying, mitigating and monitoring of the non-financial risks to the business of the Company
- To ensure the implementation of the suggestions/remarks/comments of the Board of Directors on the Risk Management Plan
- To do all other acts which incidental to the risk associated with the business of the Company

VI) Whistleblowing Committee

Composition, Meeting and Attendance:

The Company has constituted whistleblowing committee comprising of Mr. Alok Dhanuka as the Chairman, Mrs. Aarti Jhunjunwala and Mr. Surendrakumar Tibrewala as the members to conduct the affairs of the Company in fair and transparent manner. The Company Secretary acts as the secretary of the Committee.

The Committee met one (1) time during the year. The details of meeting attended by each member of the committee is given below:

Name of Director	27/01/2023
Mr. Alok Dhanuka	P
Mr. Surendrakumar Tibrewala	P
Mrs. Aarti Jhunjunwala	P

P = Present A= Absent NA= Not Applicable.

Terms of reference:

The present terms of reference of the whistleblowing committee are as follows:

- Monitor the effectiveness of the whistleblowing arrangements for employees and other stakeholders who deal with the Company to raise concerns, in confidence, about possible improprieties in any matter related to the Company
- Ensure that proper procedures are in place for fair and independent investigation of the reported improprieties for appropriate follow-up action
- Keep all information received, in particular, the identity of the whistleblower and the findings of the investigation report confidential
- To ensure the management of all whistleblowing claims are treated sensitively and follow the procedural arrangements as set out within the organisation’s Whistleblowing policy.
- Ensure that Management establishes effective procedures for the purposes of receiving, processing, identifying, investigating, reviewing, evaluating, recommending, decision making, responding to complaint/report/

recommendation received and the Whistleblowing Procedures are in placed accordingly.

VII) Committee for Prevention of Sexual Harassment at workplace/ Internal Complaint Committee

Composition, Meeting and Attendance:

The Company endeavors safety of all its women employees. Thus, the Company has constituted a Committee consisting of Mr. Surendrakumar Tibrewala, Mrs. Aarti Jhunjhunwala and one lady employee of the local workplace on the Committee for the purpose of prevention of sexual harassment at workplace.

The Committee met one (1) time during the year. The details of meeting attended by each member of the committee is given below:

Name of Director	27/01/2023
Mrs. Aarti Jhunjhunwala	P
Mrs. Jyotsna Rathod	P
Mr. Surendrakumar Tibrewala	P

P = Present A= Absent NA= Not Applicable.

Further the Company has also consisted Internal Compliant Committee in terms of Section 4 of the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013 (POSH Act). The committee consist of the female employees of the Company and they directly report to the management of the Company. No complaints were by the committee during the period under review.

Terms of reference:

- The Committee shall act in accordance with the provisions of the POSH Act and Rules (including any statutory modifications, alteration or reenactment thereon for the time being in force) made there under including the service rules, if any made applicable on the employee of the Company
- The Committee shall follow the service rules while dealing with the complaints in case the complaints is against the employee of the Company and deal with the matter keeping in view the principal of natural justice
- The Committee shall maintain all records relating to Complaints received and their redressal.
- The Committee shall ensure to maintain high degree of confidentiality with regards to the aggrieved person as well as the respondent
- The Committee shall organise such number workshops or awareness programme from time to time for educating the employees of the Company in this regard
- The Committee shall prepare an Annual Report ending 31 December each year in terms of Section 21 of the POSH Act read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013

The Committee has submitted the Annual Report to the Board in terms of Section 21 of the POSH Act. There was no complaint of sexual harassment received by the Committee during the financial year 2022-23

VIII) Administrative Committee

Composition:

To delegate certain powers of the Board of Directors that involve the day to day business operations of the Company the Board has constituted the Administrative Committee. The Committee comprises of three Executive Directors. Mr. Surendrakumar Tibrewala chairs the committee, Mr Sanjay Tibrewala and Mrs. Aarti Jhunjhunwala are the members. The minutes of the administrative committee are placed before the Board of Directors in the subsequent board meeting by the Chairman of the administrative committee for ratification.

Terms of reference:

- The Committee shall apply for Digital Signature for DGFT Licenses, ICEGATE, Provident Fund and Import/Export related job, apply for class II/III DSC in the name of Company/Directors for filing e-tender, MCA Portal, IT Tax Portal etc.
- Approval for availing online banking services
- The Committee shall be authorized to appoint authorized Authorised Representative to appear before Court/Police
- The Committee shall be authorized to borrow money from bank for working capital or avail credit facilities limits upto Rs. 50 (Fifty) Crore
- The Committee shall be authorized to grant authority to officials of the Company for carrying out operations related to stuffing, sealing the containers, export formalities, custom formalities etc.
- The Committee has been authorized for opening/closing of new/existing bank account/escrow account and any alteration in existing bank account
- The Committee has been authorized to rent, outlet, acquire, leasing, disposing etc. properties
- Providing undertaking/affidavit etc. to various government agencies, statutory bodies, factory authorities, various license departments, customers/suppliers and other authorities/department for business purpose
- And to do all the needful as may be necessary or expedient in this regard.

4. Remuneration to Directors

Remuneration Policy:

The Board of Directors of the Company has on the recommendation of the Nomination and Remuneration Committee of the Board approved a Nomination and Remuneration Policy of the Company. This Policy is available on the Company's website at <https://fineotex.com/wp-content/uploads/2021/08/Nomination-and-Remuneration-Policy.pdf>

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Details of Remuneration paid to the Directors during the financial year ended 31st March, 2023:

(Amount in Rs. Lakhs)

Name	Fixed Salary			Commission	Sitting Fees	Total Compensation	Performance linked incentives
	Basic	Perquisite/ Allowance	Total Fixed Salary				
Executive Directors							
Mr. Surendrakumar Tibrewala	67.2	46.2	113.4	-	-	113.4	-
Mr. Sanjay Tibrewala	67.2	46.2	113.4	-	-	113.4	-
Mrs. Aarti Jhunjhunwala	42.6	22.8	65.4	-	-	65.4	-
Independent Directors							
Mr. Alok Dhanuka	-	-	-	-	0.25	0.25	-
Mr. Navin Mittal	-	-	-	-	0.20	0.20	-
Mrs. Bindu Shah	-	-	-	-	0.55	0.55	-
Dr. Sunil Waghmare	-	-	-	-	0.25	0.25	-

Details of fixed components and performance linked incentives along with the Performance Criteria:

Remuneration of the Chairman and the other Executive Directors is determined by the Board on the recommendation of the Nomination & Remuneration Committee, subject to the approval of the Shareholders. For now, the Company does not make any payments performance linked incentives

Stock options details, if any and whether issued at discount as well as the period over which accrued and over which exercisable:

The Company has not issued any stock options to the Directors of the Company.

Criteria of making payments to Non- Executive Directors:

Non-Executive Independent Directors are entitled to sitting fees for attending the meetings of the Board and its Committees. The criteria for making payments to Non- Executive Directors is placed on the website of the Company at <https://fineotex.com/wp-content/uploads/2023/02/Criteria-for-making-payments-to-NEDs.pdf>

5. Details of General Body Meetings

(a) Details of location, time, and date of the last three AGM along with the details of Special Resolutions passed are as follows:

Year	Date	Time	Venue	Particulars of Special Resolution(s) passed
2019-20	29-Sept-2020 (17th Annual General Meeting)	5.00 P.M.	Through Video Conference (VC) & Other Audio Video Means (OAVM)	<ul style="list-style-type: none"> • Remuneration of Cost Auditors • Re-appointment of Mr. Navin Mittal as an Independent Director of the Company • Appointment of Mrs. Bindu Shah as an Independent Director of the Company • Approval of Fineotex Chemical Limited Employees' Stock Option Scheme 2020' ("FCL-ESOP 2020") • Approval of grant of stock options to the employees/directors of subsidiary company(ies) (present & future) under Fineotex Chemical Limited Employees' Stock Option Scheme 2020' ("FCL-ESOP 2020") • Approval for grant of stock options to the identified employees during any one year, equal to or exceeding one percent of the issued capital of the company at the time of grant of employee stock options under fineotex chemical limited employees' stock option scheme 2020' ("fclesop2020") • Contracts with related parties. <p>It was approved by Ordinary Resolution Only.</p> <p>The actual turnover in 2020-21 is however less than 10% of the Group turnover as mentioned in the SEBI (LODR) Regulations 2015.</p>

Year	Date	Time	Venue	Particulars of Special Resolution(s) passed
2020-21	16- Jul –2021 (18th Annual General Meeting)	5.00 P.M.	Through Video Conference (VC) & Other Audio Video Means (OAVM)	<ul style="list-style-type: none"> • Remuneration of Cost Auditors • Appointment of Dr. Sunil Waghmare as an Independent Director of the Company • Appointment of Dr. Anand Patwardhan as an Independent Director of the Company • Re-appointment and Revision in the remuneration payable to Mrs. Aarti Jhunjhunwala, Executive Director of the Company with effect from 14th August, 2021 • Raising of funds through issue of securities • Contracts with Related Parties • Consent of Members for increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate • Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to 300 Crores • Creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013
2021-22	05-Aug-2022 (19th Annual General Meeting)	5.00 P.M.	Through Video Conference (VC) & Other Audio Video Means (OAVM)	<ul style="list-style-type: none"> • Remuneration of Cost Auditor • Re-appointment and Revision in the Remuneration payable to Mr. Surendrakumar Tibrewala, Managing Director of the Company with effect from 1st October, 2022 • Re-appointment and Revision in the Remuneration payable to Mr. Sanjay Tibrewala, Whole-Time Director of the Company with effect from 1st October, 2022 • Raising of funds through issue of Equity Shares

(b) Details of location, time, and date of the last Extra-Ordinary General Meeting is as follows:

During the Financial Year 2022-2023, no Extra-ordinary General Meeting was held.

(c) Postal Ballot

There was no Special Resolution passed through Postal Ballot during the financial year 2022-2023. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

6. Means of Communication

Quarterly Results:

The information pertaining to quarterly, half-yearly, and yearly financial results are uploaded on the website of the Company at www.fineotex.com

Newspapers wherein results normally published:

Quarterly, half-yearly, and yearly financial results are normally published in Financial Express (English) and Mumbai Lakshdeep (Marathi)

Website:

The financial results are also posted on the Company's website at www.fineotex.com. The Company's website provides information about its business and the section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience

Official news releases:

Press release pertaining to results are uploaded on the website of the company at <https://fineotex.com/fcl-regulation-30/>

Presentations made to institutional investors or to the analysts:

Earnings calls on financials/quarterly results are held with analysts and investors and their transcripts are published on the website. Such presentations made to analysts and others are also made available on the Company's website at <https://fineotex.com/investor-relation/>

Annual Report:

Annual Report is circulated to all the Members within the required period. In view of the SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13 May 2022, the Company has sent Annual Report for the financial year 2021-22 through email to shareholders. The shareholders have been provided e-voting option for the resolutions passed at the general meeting to vote as per their convenience.

Dispatch of Annual Report	21 (clear) days before the meeting
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- d. Book Closure : September 09, 2023 to September 15, 2023 (Both days Inclusive)
 - e. Dividend : Re. 0.80 paise per equity share of Rs. 2/- each
- Date : within 30 days of the declaration

7. General Shareholder Information

a. Annual General Meeting :

Day and Date : Friday, 15th September, 2023
 Time : 5.00 PM (IST)
 Venue (OAVM) : Through. Video Conference (VC) & Other Audio Video Means

- b. **Financial Calendar for 2022-23** : The Company's Financial Year is a 12 months period from April to following March.

c. Tentative Schedule for the Meetings for the financial year 2023-24

Financial Year	2023-24
Board meetings for approval of quarterly results	
Quarter ended 30 June 2023	Within 45 days from the end of the quarter
Quarter ended 30 September 2023	
Quarter ended 31 December 2023	
Audited Financial Results for the year ended 31 March 2024	Within 60 days from the end of the financial year
AGM for the financial year 2023-24	In accordance with Section 96 of the Act and SEBI Listing Regulations and Circulars of MCA and SEBI from time to time.

f. Listing Details:

The Equity Shares of the Company are listed on the following Stock Exchanges

BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400051

g. Stock Code & Scrip Id:

Bombay Stock Exchange Ltd, Mumbai	Code: 533333
National Stock Exchange of India Limited	Id: FCL
International Securities Identification Number	(ISIN): INE045J01026

h. Payment of Listing Fees:

Annual listing fees for the financial year 2022-23 has been paid by the Company to BSE on 19/04/2022 and NSE on 16/04/2022. Annual Custody/ Issuer Fees is being paid by the Company within the due date based on the invoices received from the Depositories – NSDL & CDSL.

i. Market Price Data:

The shares of the Company were traded as under during 2022-2023.

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakh)	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakh)
April 2022	235.25	181.7	7423.92	211.31	198.05	3808.60
May 2022	199.75	149.8	2273.13	182.22	170.33	926.98
June 2022	190.35	155	922.39	176.05	169.02	533.04
July 2022	228	179.6	2345.86	207.68	198.9	1245.00
August 2022	284.1	211.45	7332.24	259.73	246.65	3394.54
September 2022	409.45	276.5	9108.18	359.94	337.65	4673.94
October 2022	403.3	351.8	4729.02	383.42	367.67	2415.45
November 2022	364.65	309	4997.06	338.74	323.70	2400.52
December 2022	327.5	208.45	5500.16	288.87	274.31	2084.39
January 2023	260.05	222	2030.62	248.31	239.74	779.16
February 2023	263.3	225.55	2084.33	249.29	238.55	969.81
March 2023	241.85	208.45	1400.02	230.02	221.88	477.22

Source: BSE and NSE Website

j. Market Price variation in relation to BSE Sensex during 2022-2023:

The monthly high and low share prices of the Company in comparison with the BSE Sensex during the year are as under:

Month	High (Rs.)	Low (Rs.)	BSE Sensex (High)	BSE Sensex (Low)
April 2022	235.25	181.7	60845.10	56009.07
May 2022	199.75	149.8	57184.21	52632.48
June 2022	190.35	155	56432.65	50921.22
July 2022	228	179.6	57619.27	52094.25
August 2022	284.1	211.45	60411.20	57367.47
September 2022	409.45	276.5	60676.12	56147.23
October 2022	403.3	351.8	60786.70	56683.40
November 2022	364.65	309	63303.01	60425.47
December 2022	327.5	208.45	63583.07	59754.10
January 2023	260.05	222	61343.96	58699.20
February 2023	263.3	225.55	61682.25	58795.97
March 2023	241.85	208.45	60498.48	57084.91

k. Market Price variation in relation to NSE Nifty during 2022-2023:

The monthly high and low share prices of the Company in comparison with the NSE Nifty during the year are as under:

Month	High (Rs.)	Low (Rs.)	NSE Nifty (High)	NSE Nifty (Low)
April 2022	211.31	198.05	17526.43	26017.42
May 2022	182.22	170.33	16414.26	16161.82
June 2022	176.05	169.02	16041.58	15837.19
July 2022	207.68	198.9	16358.34	16190.05
August 2022	259.73	246.65	17647.64	17459.26
September 2022	359.94	337.65	17666.45	17454.94
October 2022	383.42	367.67	17487.69	17325.10
November 2022	338.74	323.70	18367.50	18226.05
December 2022	288.87	274.31	18478.19	18296.13
January 2023	248.31	239.74	18069.92	17875.01
February 2023	249.285	238.5475	17833.78	17644.89
March 2023	230.02	221.88	17328.55	17142.44

l. Share Transfer System:

SEBI pursuant to notification issued on 8 June 2018 amended the Regulation 40 of the SEBI Listing Regulations and provided that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. 01 April 2019. Since the shares are compulsorily required to be traded in dematerialized form, shareholders are requested to get their physical shareholdings converted into DEMAT form through their depository.

Shareholders are advised that in case transfer, transmission, dematerialization, dividends, change of address, alterations in bank mandates, email ids, nominations and other forms of inquires should be addressed only to the depository participant with whom the shareholder has an account as the Company cannot alter the details and have to act on the data available with National Securities Depository Limited and Central Depository Services Limited.

m. Dematerialisation of shares:

The shares of the Company are under compulsory demat list of SEBI, and it has joined as a member of the Depository services with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as an Issuer Company for dematerialization of its' shares. Shareholders can get their shares dematerialized with either NSDL or CDSL.

FINEOTEX CHEMICAL LIMITED

The summary of shareholding of the Company being held as on 31 March 2023 is given below:

Held in Dematerialized form in CDSL	1,43,86,847	12.99
Held in Dematerialized form in NSDL	9,63,61,423	87.01
Physical	150	0.00
Total	11,07,48,420	100%

n. Shareholding Pattern:

The Shareholding Pattern of the Company as on 31st March, 2023 is as follows:

Category	No. of shareholders	No. of Equity Shares held	% of Shareholding
Promoters (Non Corporate)	8	6,80,42,027	61.43
Promoters (Corporate)	2	39,83,000	3.60
Domestic Bodies Corporate	169	9,97,124	0.90
Foreign Portfolio Investor	19	7,80,099	0.71
Clearing Members	53	81,040	0.07
Non Resident Indians	1248	9,84,999	0.89
Mutual Funds	1	40,41,828	3.65
IEPF	1	1,979	0.00
Domestic DR	1	280	0.00
Public	111237	3,18,36,044	28.75

o. Distribution of shareholding:

The Distribution of shareholding as on 31st March, 2023 is as follows:

Category (no. of shares)	No of shareholders	Shares held	% of share holding
1-5000	111521	14184016	12.8074
5001-10000	694	2543377	2.2965
10001-20000	284	2135341	1.9281
20001-30000	99	1245213	1.1244
30001-40000	39	697254	0.6296
40001-50000	19	418096	0.3775
50001-100000	37	1338489	1.2086
100001- 100000000	50	88186634	79.6279
Total	112743	110748420	100

**Company Registration number
with ROC/Ministry of Corporate Affairs:**

: L24100MH2004PLC144295

Plant location

: A 699 & 700, 684 & 685, 687, 665, 669 TTC Industrial Area, MIDC, Mahape,
New Mumbai-400705;
B 24 Additional Ambernath Industrial Area, Ambernath 421506

Address for correspondence

Registrars and Share Transfer Agents

: (For shares and dividend related queries)

Bigshare Services Private Ltd.,
Office No S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre,
Mahakali Caves Road,
Andheri (East) Mumbai – 400093
Phone : (022) 62638200

Company	: (For any other matter, unresolved complaints) Company Secretary Fineotex Chemical Limited 42/43, Manorama Chambers, S V Road, Bandra West Mumbai - 400050
E-mail	: investor.relations@fineotex.com
Investors Grievances	: investor.relations@fineotex.com
Phone No	: 022-26559174-75
Fax No	: 022-26559178
Website	: www.fineotex.com

p. Credit Rating:

The Company has obtained Credit Rating of its various credit facilities and instruments from ICRA Limited and CRISIL Ratings Limited. ICRA Limited has provided Long Term Rating (A) and Short Term Rating (A1) to the bank facilities of the Company. Further during the year, CRISIL has upgraded their ratings on the bank facilities of the Company. The long term ratings has been upgraded to CRISIL A/Stable and short term ratings has been upgraded to CRISIL A1.

q. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The provisions relating to transfer of shares were made effective by the Ministry of Corporate Affairs, vide its Notification dated 13th October 2017 read with the circular dated 16th October 2017, wherein it was provided that where the period of 7 consecutive years, as above, was completed or being completed during the period from 7th September 2016 to 31st October 2017, the due date of transfer for such shares was 31st October 2017.

In the interest of shareholders, the Company sends periodical reminders to shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website <https://fineotex.com/unpaid-unclaimed-dividend/>

In light of the aforesaid provisions, the Company has during the year, transferred to IEPF the unclaimed dividends, outstanding for 7 consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF from financial year 2018-2019 to 2022-2023 are as follows:

Year	Amount of Unclaimed Dividend transferred (Rs.)	Number of Shares Transferred
2018-2019	613	449
2019-2020	5,206	210
2020-2021	13,305	1,350
2021-2022	4618.5	(100)#
2022-2023	11,077	70
Total till 31/03/2023	34,819.5	1979

During the year 2021-22, we have received request from the shareholder for transfer of such 100 shares from IEPF account to the Claimant Demat account. Based on the e-verification report of the company and RTA have transferred such shares to the claimant demat account as per the IEPF Rules.

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed, to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

During the year one of the shareholder has claimed the shares which were transferred to IEPF. The required procedure and forms have been submitted with the authorities and currently the said claim is under process.

8. Material Subsidiaries Companies:

BT Chemical SDN BHD is the tier 2 material subsidiary of the Company incorporated in Malaysia in terms of Regulation 16 of the Listing Regulations. The Company has appointed one of its Independent Directors on the Board of BT Chemicals SDN BHD. The Company also has appointed one of its Independent Director on the Board of Fineotex Malaysia Limited which is the holding Company of BT Chemical SDN BHD and is also the wholly owned subsidiary of Fineotex Chemical Limited. Fineotex Malaysia Limited is incorporated in the free zone in Malaysia and has lesser restrictions on appointment of Non Malaysian Directors as explained in the Board Report last year. The minutes of the Board meetings of the subsidiary companies are placed at the Board meeting of the Company on a periodical basis. The Audit Committee reviews the financial statements including investments by the unlisted subsidiaries of the Company. The Management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by unlisted subsidiary, if any.

The Policy for determining material subsidiaries has been uploaded and can be accessed on the Company's website at the following link:

<https://fineotex.com/wp-content/uploads/2022/01/Policy-for-Determining-Material-Subsidiary.pdf>

9. Other Disclosure:

- a) Materially significant related party transactions (i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc.) that may have potential conflict with the interests of the Company at large:

The Company has not entered into any materially significant related party transaction during the year with any of the related parties which may have potential conflict with the interest of the Company. The related party transactions constitute contracts or arrangements, made by the Company from time to time, with Companies in which Directors are interested. The Audit Committee reviews periodically the related party transactions and the Committee provided omnibus approval for related party transactions which are in ordinary course of business (repetitive in nature) and are on Arm's Length basis.

All transactions covered under the related party transactions are regularly approved by the Board. There were no material transactions during the financial year 2022-23 that were prejudicial to the Company's interest. There are no materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management and their subsidiaries or relatives that may have potential conflict with Company's interest at a large. Related party transactions as per requirements of Indian Accounting Standard (Ind- AS 24) "Related Party Disclosures" are disclosed in the Notes to the Financial Statements of the Company for the year ended 31 March 2023.

- b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with all applicable provisions of the SEBI Listing Regulations and all other applicable regulations and guidelines issued by SEBI and Stock Exchanges. No penalties or strictures are imposed on your Company by SEBI or the Stock Exchanges or any statutory authority on any matter related to the capital markets.

- c) Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no person has been denied access to the Audit Committee:

The Company has adopted a Vigil Mechanism and Whistle Blower Policy and the same is uploaded on the website of the Company at <https://fineotex.com/wp-content/uploads/2021/08/otherFCL-WhistleblowerPolicy.pdf>

The whistle blowers may also lodge their complaints/concern with the concerned person as per contact details are provided in the Whistle Blower Policy of the Company. The Policy also offers appropriate protection to the whistleblowers from victimization, harassment, or disciplinary proceedings. Further, during the financial year ended 31st March 2023, no personnel has been denied access to the Audit Committee, in this regard.

- d) Details of Mandatory and Non- Mandatory requirements:

The Company has complied with the mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations and has adopted a few non-mandatory requirements as specified under Regulations of SEBI Listing Regulations, which are reviewed by the management from time to time.

The Company has duly fulfilled the following discretionary requirements as prescribed in Sub – Regulation 1 of Regulation 27 read with Part E of Schedule II of the SEBI Listing Regulations as follows:

Unmodified Audit Opinion - The financial statements of the Company are with unmodified audit opinion

Reporting of Internal Auditor - Internal Auditors of the Company make presentations to the Audit Committee on their Reports and has direct access to the Audit Committee.

Other Items - The rest of the Non-Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board

e) **Details of Corporate Policies:**

Particulars	Website Details/Links
Policy for Risk Management	https://fineotex.com/wp-content/uploads/2023/04/Policy-for-Risk-Management.pdf
Dividend Distribution Policy	https://fineotex.com/wp-content/uploads/2021/08/Dividend-Distribution-Policy.pdf
Policy for Determining Material Subsidiary	https://fineotex.com/wp-content/uploads/2022/01/Policy-for-Determining-Material-Subsidiary.pdf
Succession Policy	https://fineotex.com/wp-content/uploads/2021/08/Sucesion-Policy.pdf
Blank Stationery Policy	https://fineotex.com/wp-content/uploads/2021/08/Blank-Stationery-Policy-1.pdf
Code of Conduct for Directors and Senior Management	https://fineotex.com/wp-content/uploads/2021/08/Code-of-Conduct-for-Directors-and-Senior-Management.pdf
Code of Conduct for Non- Executive and Independent Directors	https://fineotex.com/wp-content/uploads/2021/08/Code-of-Conduct-for-NEDs-and-IDs.pdf
Website Archival Policy	https://fineotex.com/wp-content/uploads/2021/08/FCL-Website-Archival-Policy.pdf
Policy for Determining Materiality	https://fineotex.com/wp-content/uploads/2023/08/Policy-For-Determining-Materiality.pdf
Whistleblower Policy	https://fineotex.com/wp-content/uploads/2021/08/otherFCL-WhistleblowerPolicy.pdf
Related Party Transaction Policy	https://fineotex.com/wp-content/uploads/2023/05/RPT-Policy.pdf
Code of Practices and Procedures for Fair Disclosure of unpublished price sensitive information (USPI)	https://fineotex.com/wp-content/uploads/2021/08/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-UPSI.pdf
Preservation of Documents Policy	https://fineotex.com/wp-content/uploads/2021/08/Preservation-of-Documents-Policy.pdf
Code of Conduct to Regulated, Monitor and Report Trading by Insiders	https://fineotex.com/wp-content/uploads/2021/08/Code-of-Conduct-to-Regulate-Monitor-and-Report-Trading-by-Insiders.pdf
Corporate Social Responsibility Policy	https://fineotex.com/wp-content/uploads/2022/01/Corporate-Social-Responsibility-Policy.pdf
Nomination and Remuneration Policy	https://fineotex.com/wp-content/uploads/2021/08/Nomination-and-Remuneration-Policy.pdf

f) **Declaration of Non-Disqualification or debarment for appointment/continuing as the Director in companies for the financial year 2022-2023:**

There is no such director on the Board of the Company who has been disqualified by virtue of any provisions of the Act and any other laws or debarred by any regulatory authority to be appointed or continue to act as Director.

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 is annexed to this report as “**Annexure – A**”.

g) **CEO and CFO Certification:**

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer & Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors. CEO and CFO certificate is annexed to this report. “**Annexure – B**”.

h) **Recommendation from the Committee to the Board**

There were no such instances where the Board has not accepted the recommendations of/submissions by the Committee, which were required for the approval of the Board of Directors during the financial year under review.

i) **Details of Payment made to Statutory Auditors**

Total Fees paid by the Company to the Statutory Auditor for all the services provided by them are as follows:

Particulars	Amount (in lakhs)
As Auditors (Statutory Audit)	5.50
For other services (certification)	8.57
Reimbursement of expenses	NIL

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

The Company has constituted Internal Complaint Committee pursuant to Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. During the financial year 2022- 23, the Committee submitted its Annual Report as prescribed in the said Act and there was no complaint as regards sexual harassment received by the Committee during the financial year.

Details of Complaints received and redressed during the financial year 2022-23 are as follows:

- a) Number of complaints outstanding at the beginning of financial year - NIL
- b) Number of complaints filed during the financial year - NIL
- c) Number of complaints disposed of during the financial year - NIL
- d) Number of complaints pending as on end of the financial year – NIL

k) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The details of loans and advances of the Company during the period has been described in brief in the Director's Report at Annexure 5

l) Disclosure with respect to demat suspense account/unclaimed suspense account:

There are no shares in demat suspense account.

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- NIL
- (b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year- NIL
- (c) Number of shareholders to whom shares were transferred from suspense account during the year- NIL
- (d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- NIL
- (e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- NIL

m) Disclosure of discretionary requirements as specified in Part E of Schedule II have been adopted:

The Company has duly fulfilled the following discretionary requirements as prescribed in Sub – Regulation 1 of Regulation 27 read with Part E of Schedule II of the SEBI Listing Regulations.

n) Disclosure of Non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of para C of Schedule V of SEBI Listing Regulations with reasons thereof shall be disclosed of Non- Compliance of any requirement of Corporate Governance Report of discretionary requirements as specified in Part E of Schedule II have been adopted:

There is no instance of non-compliance of any requirement of Corporate Governance report of sub-para (2) to (10) of para C of Schedule –V of SEBI Listing Regulations

o) Disclosure of the Compliance of the Corporate Governance:

The Company is in compliance with the Corporate Governance requirements as specified in Regulation 17 to 27 and the Company is also in compliance with the requirements of dissemination of the information of as required in terms of clause (b) to (i) of Regulation 46 (2) of the SEBI Listing Regulations.

p) Certificate from Statutory Auditor

As required by Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by M/s. ASL & Co, Chartered Accountants regarding compliance of conditions of corporate governance, is annexed to this report at “Annexure - C”.

For and on behalf of the Board

Sd/-
Surendrakumar Tibrewala
(Chairman & Managing Director)
DIN: 00218394

Sd/-
Sanjay Tibrewala
(Executive Director)
DIN: 00218525

“ANNEXURE – A”

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)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **FINEOTEX CHEMICAL LIMITED** having CIN **L24100MH2004PLC144295** and having registered office at **42/43, MANORAMA CHAMBERS, 4TH FLOOR, S V ROAD, BANDRA (W), MUMBAI-400050 IN** (hereinafter referred to as ‘the Company’), 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 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) 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 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT
1.	SURENDRA DEVIPRASAD TIBREWALA	00218394	30/01/2004
2.	SANJAY SURENDRA TIBREWALA	00218525	30/01/2004
3.	NAVIN BHIMSEN MITTAL	03555295	02/09/2011
4.	ALOK SHASHIKANT DHANUKA	06491610	11/02/2013
5.	AARTI MITESH JHUNJHUNWALA	07759722	14/08/2018
6.	BINDU DARSHAN SHAH	07131459	14/07/2020
7.	SUNIL VASANT WAGHMARE	08906042	31/10/2020
8.	ANAND VINAYAK PATWARDHAN*	08908877	31/10/2020 (resigned w.e.f 16th May, 2022)

Ensuring the eligibility of 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 our 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

For **HSPN & Associates LLP**
Company Secretaries

Hemant Shetye
Designated Partner
FCS: 2827
COP: 1483
ICSI UDIN: F0028278000740841
Peer Review No: 2507/2022

Place: Mumbai
Date: August 4, 2023

“ANNEXURE – B”

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
Fineotex Chemical Limited

Subject: Certification as per Regulation 17(8) and Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015.

Dear Sir/Madam,

- A. We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Fineotex Chemical Limited (‘the Company’) have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- 1) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - 2) These statements together present a true and fair view of the listed entity’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. They are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the listed entity’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 internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee
- i. Significant changes, if any, in the internal control over financial reporting during the year;
 - ii. Significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statement; and
 - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity’s internal control system over financial reporting.

Place: Mumbai
Dated: 20th May, 2023

Sd/-
Sanjay Tibrewala
CFO & Executive Director
DIN: 00218525

Sd/-
Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

To,
The Board of Directors
Fineotex Chemical Limited

Subject: Certificate on Compliance with Code of Conduct

Dear Sir/Madam,

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, the affirmation that they have complied with the ‘Code of Conduct’ in respect of the financial year 2022-2023.

Place: Mumbai
Dated: 20th May, 2023

Sd/-
Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

“ANNEXURE – C”

Independent Auditor’s Certificate on Compliance with the Corporate Governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Members of
Fineotex Chemical Limited

The Corporate Governance Report prepared by Fineotex Chemical Limited (“the Company”), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) with respect to Corporate Governance for the year ended March 31, 2023 pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited and Bombay Stock Exchange Limited (collectively referred to as the “Stock Exchanges”).

Management’s Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

Auditor’s Responsibility

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2023 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the Guidance Note on Certification of Corporate Governance (the ‘Guidance Note’), in so far as applicable for the purpose of this certificate, issued by the Institute of Chartered Accountants of India (‘ICAI’) which requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations.

Other Matters and Restriction on use

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

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2023, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For ASL & Co.
Chartered Accountants
(Regn No. 101921W)

(Shikha Jain)
Partner

Place : Mumbai
Date : May 20, 2023

Membership No.: 136484
UDIN: 23136484BGWWRW2210

“ANNEXURE – 10”

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24100MH2004PLC144295
2.	Name of the Listed Entity	Fineotex Chemical Limited
3.	Year of incorporation	2004
4.	Registered office address	42/43 Manorama Chambers 4th Floor S V Road, Bandra (W), Mumbai, Maharashtra India – 400050
5.	Corporate address	42/43 Manorama Chambers 4th Floor S V Road, Bandra (W), Mumbai, Maharashtra India – 400050
6.	E-mail	investor.relations@fineotex.com
7.	Telephone	(+91) (022) 26559174/75/76
8.	Website	www.fineotex.com
9.	Financial year for which reporting is being done	2022-2023
10.	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange (BSE) National Stock Exchange (NSE)
11.	Paid-up Capital	Rs. 22,14,96,840
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Sanjay Tibrewala DIN Number: 00218525 Designation: Executive Director & CFO Telephone Number: 022-26559175 E- mail ID: sanjay@fineotex.com
13.	Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	This report made on a standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Chemical and chemical products, Pharmaceuticals, medicinal chemical and botanical products	90

Note: The details of business activities as given in MGT- 7 for Fineotex Chemical Limited

15. Products/Services sold by the entity (accounting for 90% of the entity’s Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Specialty Chemicals for Textiles Processing	20	100

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	9	1	10
International	1	2	3

Fineotex Chemical having a diversified business. A summary of Fineotex’s geographical footprint is provided in its Annual Report for the FY2022-23

17. Markets served by the entity:

a. Number of locations

Locations	Number
(National (No. of States	8
(International (No. of Countries	69

b. What is the contribution of exports as a percentage of the total turnover of the entity- 20.56%

c. A brief on types of customers: B2B, B2C- Corporates/Non-Corporate users, International users, Dealers and Trader

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<u>EMPLOYEES</u>						
1.	Permanent (D)	103	79	76.70	24	23.30
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	103	79	76.70	24	23.30
<u>WORKERS</u>						
4.	Permanent (F)	98	87	88.78	11	11.22
5.	Other than Permanent (G)	77	69	89.61	8	10.39
6.	Total workers (F + G)	175	156	89.14	19	10.86

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<u>DIFFERENTLY ABLED EMPLOYEES</u>						
1.	Permanent (D)		NIL			
2.	Other than Permanent (E)					
3.	Total differently abled employees (D + E)					
<u>DIFFERENTLY ABLED WORKERS</u>						
4.	Permanent (F)		NIL			
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	28.57
Key Management Personnel	1	0	0

20. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2023 (Turnover rate)			FY 2022 (Turnover rate)			FY 2021 (Turnover rate)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	79	24	103	83	22	105	60	18	78
Permanent Workers	87	11	98	72	9	81	36	6	42

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Fineotex Specialities Pvt. Ltd	Subsidiary	100	N.A.
2.	Manya Manufacturing India Private Limited	Subsidiary	100	N.A.
3.	Fineotex Malaysia Limited	Subsidiary	100	N.A.
4.	Fineotex Biotex HealthGuard FZE	Subsidiary	100	N.A.

VI. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.) : 29, 555.03 Lakhs

(iii) Net worth (in Rs.) : 26,958.65 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)	FY 2023			FY 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	<i>(If Yes, then provide web-link for grievance redress policy)</i>	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)		Nil	Nil	NA	Nil	Nil	NA
Shareholders		Nil	Nil	NA	Nil	Nil	NA
Employees and Workers		Nil	Nil	NA	Nil	Nil	NA
Customers		Nil	Nil	NA	Nil	Nil	NA
Value Chain Partners		Nil	Nil	NA	Nil	Nil	NA
Others (Please Specify)		Nil	Nil	NA	Nil	Nil	NA

24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Non Hazardous	Opportunity	GHS classification as per GHS Symbol	N.A.	Nil

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	www.fineotex.com								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y	Y	Y	Y	Y	Y	Y	Y	Y
	a) ISO14001 Environmental Management System b) ISO 9001 for quality / ISO45001 c) ISO 45001 d) ISO 14505 and ISO 20000 (obtained in 2020-21 e) Global Organic Textile Standard(GOTS)certified f) Hazard Analysis Critical Control Point (HACCP) Certification g) Indian Green Building Council h) SA8000-Social Accountability Certification i) Star Export House j) WHO Good Manufacturing Practice certified k) Zero Discharge Hazardous Chemicals (ZDHC) Gateway certified								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Administrative Committee looking all Business Reasonability and Sustainable related matters.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Administrative Committee (The administrative committee is constituted with the Executive Directors who are actively plunge into the era of sustainability and making their decisions accordingly)								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Disclosure Questions																		
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Occasionally								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	As and when required								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
	Not Applicable																	

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable as all principles are covered by respective policies								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Awareness sessions for the Directors of the Company are regularly organised, covering issues related Ethics & Governance and Legal & Regulatory matters. Positive action initiated by board of directors.	100%
Key Managerial Personnel	1	Awareness sessions for the KMP of the Company are regularly organised, covering issues related to Safety, Health and Environment. Also covers the area concerning to the Ethics, Governance and code of conduct.	100%
Employees other than BoD and KMPs	1	Employees are provided need-based training as per their job requirement. The approach is to provide a range of technical and managerial courses with a strong focus on capability development in all functional areas across the levels.	100%
Workers	1	Workers are provided need-based training as per their job requirement like Health & Safety Awareness programme	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been agencies/ judicial institutions
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non- Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Fineotex Chemicals has an Anti-Bribery and Anti-Corruption Policy which is available on the company's website. The Company is committed to the prevention and detection of bribery and other corrupt business practices and has set the responsibility for the directors and employees to maintain the highest standard of business practices and comply with all anti-corruption laws applicable in all the geographies which we operate. The web link of Anti-Bribery and Anti-Corruption Policy of the company is <https://fineotex.com/wp-content/uploads/2023/08/Anti-Bribery-and-Anti-Corruption-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023	FY 2022
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2023		FY 2022	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

Company has Code of Conduct for the Board of Directors and senior management personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company receives an annual declaration from its Board of Directors and senior management personnel regarding the entities in which they are interested, and ensures requisite approvals as required under the applicable laws are taken prior to entering transactions with those entities

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest - Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Covered under all quality management processes. The company has obtained the certification of ISO 14001, 9001 and SA 8000.

Total Number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
10	Environment, Social and Governance	20%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same- Yes

Yes, the Company has Code of Conduct for the Board of Directors and senior management personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company receives an annual declaration from its Board of Directors and senior management personnel regarding the entities in which they are interested, and ensures requisite approvals as required under the applicable laws are taken prior to entering transactions with those entities.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022 (Amount in Lakh)	FY 2023 (Amount in Lakh)	Details of improvements in environmental and social impacts
R&D	150.91	287.06	The cost includes overall expenditure including the expenditure made on environmental and sustainable related projects like Solar Panel.
Capex	3.01	83.62	Includes investments in CO2 and other air emission (SOx, NOx and dust) reduction, water conservation and effluent treatment, solid waste utilisation, improvement of safety and employee welfare initiatives.

- 2. a. Does the entity have procedures in place for sustainable sourcing: - Yes**
b. If yes, what percentage of inputs were sourced sustainably: – 100%
- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste;**

The company dispose-off its packaging material solid waste in the manner agreed by the Pollution Control Board.

- a. Plastics (including packaging) - Disposed-off to authorised resellers and resend in own product.**
b. E-waste - Not Applicable
c. Hazardous waste - Not Applicable
d. Other waste - Solid waste packaging material scrap is disposed -off to the authorized resellers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same - Yes

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?- Not Applicable

NIC Code	Name of Product/ Service	% of total turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not Applicable					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same - Not applicable

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry) - Nil

Indicate input material	Recycled or re-used input material to total material	
	FY 2023	FY 2022
	Nil	Nil
	Nil	Nil

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: Solid waste packaging material scrap is disposed-off to the authorized resellers.

	FY 2023			FY 2022		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	15 MT	Nil	Nil	15 MT
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category- Nil

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)	
Permanent employees											
Male	79	79	100	79	100	0	0	0	0	0	0
Female	24	24	100	24	100	0	0	0	0	0	0
Total	103	103	100	103	100	0	0	0	0	0	0
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	103	103	100	103	100	0	0	0	0	0	0

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)	
Permanent workers											
Male	87	87	100	87	100	0	0	0	0	0	0
Female	11	11	100	11	100	0	0	0	0	0	0
Total	98	98	100	98	100	0	0	0	0	0	0
Other than Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	FY 2023			FY 2022		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	51	37	YES	52	28	Yes
Gratuity	80	56	YES	100	100	Yes
ESI	1	32	YES	03	34	Yes
Others – please specify	Nil	Nil	Nil	Nil	Nil	Nil

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard-

Yes, our establishments are accessible to differently abled persons, we are continuously working towards improving infrastructure for eliminating barriers to accessibility.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy- Yes, the company has aligned with these requirement in their Human Rights Policy. The web link is <https://fineotex.com/wp-content/uploads/2023/08/Human-Rights-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	0	0	0	0
Total	0	0	0	0

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief - Feedback mechanism through suggestion boxes.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	By dropping grievances in suggestion drop box
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Employees feedback are received on an anonymous basis directly by the certifying authorities and later the feedback is updated by the certifying authority to management.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023			FY 2022		
	Total employees /workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	NIL	NIL	NIL	NIL	NIL	NIL
- Male	NIL	NIL	NIL	NIL	NIL	NIL
- Female	NIL	NIL	NIL	NIL	NIL	NIL
Total Permanent Workers	NIL	NIL	NIL	NIL	NIL	NIL
- Male	NIL	NIL	NIL	NIL	NIL	NIL
- Female	NIL	NIL	NIL	NIL	NIL	NIL

8. Details of training given to employees and workers

Category	FY 2023					FY 2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (F / D)
Employees										
Male	79	79	100	79	100	83	83	100	83	100
Female	24	24	100	24	100	22	22	100	22	100
Total	103	103	100	103	100	105	102	100	105	100
Workers										
Male	87	87	100	87	100	72	72	100	72	100
Female	11	11	100	11	100	9	9	100	9	100
Total	98	98	100	98	100	81	81	100	81	100

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023			FY 2022		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
- Male	79	79	100	83	83	100
- Female	24	24	100	22	22	100
Total	103	103	100	105	105	100
Workers						
- Male	87	87	100	72	72	100
- Female	11	11	100	9	9	100
Total	98	98	100	81	81	100

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system-**
 Yes, 100%. The company is certified with the standard of ISO 45001.
- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity:**
 The company is having a process of Hazard Identification and Risk Assessment (“HIRA”) training to identify work-related hazards and assess risks on a routine and non-routine basis.
- c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**
 - Yes
- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**
 - Yes. Partially available for applicable employee.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023	FY 2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12 Describe the measures taken by the entity to ensure a safe and healthy work place- As per the compliance require under the Factories Act, 1948.

The Compliances are in terms of standards of Directorate of Industrial Safety & Health (“DISH”) norms and Safety Audit conducted by certified engineers under DISH panel.

13. Number of Complaints on the following made by employees and workers:

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions-

As per the reviews, under the EHS Team suggestions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)- Yes, covered personal accident policy.
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners- NIL
3. Provide the number of employees/workers having suffered high consequence work-related injury /ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023	FY 2022	FY 2023	FY 2022
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)- Yes
5. Details on assessment of value chain partners-

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	70%
Working Conditions	70%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners- NIL

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity-

Fineotex Chemical's leadership team under the guidance of the Board of Directors has identified key external and internal stakeholders based on their material influence on the Company and the degree to which the Company's corporate decisions can have a direct material impact on them.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group-

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half-yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Service Provider & Supplier	Yes	Email, SMS	(As and when required)	<ul style="list-style-type: none"> • Build long-lasting relationships with capable suppliers • Ensure supplier competency and compliance
Customers	Yes	Email, SMS	(As and when required)	<ul style="list-style-type: none"> • To make aware the customers about the new developments in techniques and products • Build long-lasting relationships with suppliers • To receive feedback from customers

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half-yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	Yes	Newspaper, Advertisement, Community Website	(As and when required)	<ul style="list-style-type: none"> • Transparent and effective communication of business performance • Addressing investor queries and concerns • Sound corporate governance mechanisms. • Providing insights into the Company’s corporate strategy and business environment
Employees	Yes	Email, SMS	(As and when required)	<ul style="list-style-type: none"> • Caring and empowering work environment • Personal development and growth • Health and safety • Grievance resolution • Competitive compensation
Financial Institution	Yes	Email	(As and when required)	To Meet the financial needs

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board. - Company has initiated the ESG Compliances and provided link on its website.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity. – Process is existing on ESG compliances and framing policies suitably. However, there were no such instances during the year.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups – Not Applicable

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023			FY 2022		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	103	103	100	0	0	0
Other than permanent	0	0	0	0	0	0
Total Employees	103	103	100	0	0	0
Workers						
Permanent	98	98	100	0	0	0
Other than permanent	0	0	0	0	0	0
Total Employees	98	98	100	0	0	0

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023					FY 2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F))	% (F / D)
Employees										
Permanent	103	0	0	103	100	105	0	0	105	100
Male	79	0	0	79	100	83	0	0	83	100
Female	24	0	0	24	100	22	0	0	22	100
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	98	0	0	98	100	81	0	0	81	100
Male	87	0	0	87	100	72	0	0	72	100
Female	11	0	0	11	100	9	0	0	9	100
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	113.40	1	65.40
Key Managerial Personnel	1	4.16	0	0
Employees other than BoD and KMP	163	3.83	34	3.89
Workers	69	4.18	8	4.00

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues – Yes, as per SA 8000 and ESG Process

6. Number of Complaints on the following made by employees and workers: Nil

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

All genuine complaints, in good faith, can be made without fear of reprisals, punishment, intimidation, coercive action, dismissal, or victimization.

8. Do human rights requirements form part of your business agreements and contracts? –Yes, as per letter of appointment. Additional compliances as per SA 8000 and ESG process.

9. Assessments for the year: 2022-2023

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	100

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above - No significant risk or concerns were identified in our operations.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints- No. Processes already existing under SA 8000 certification.

2. Details of the scope and coverage of any Human rights due-diligence conducted – The Company covers as per SA 8000 and ESG processes all its stakeholders associated with the organization directly/indirectly i.e. employees, vendors, customers, investors and every citizens.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?- Yes

4. Details on assessment of value chain partners – NIL

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above- NIL, No significant risk or concerns were identified in our operations

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023 (Amount in Rs.)	FY 2022 (Amount in Rs.)
Total electricity consumption (A)	5406640	4222706
Total fuel consumption (B)	588943	358534
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	5995583	4581240
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.002 Turnover 2955503128	0.002 (Turnover 2500789613)
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any- No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	53050	43423
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	53050	43423
Total volume of water consumption (in kilolitres)	53050	43423
Water intensity per rupee of turnover (Water consumed / turnover)	0.00083 Turnover 2955503128	0.000528 Turnover 2500789613
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation - Yes 100%

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023	FY 2022
NOx	Not Applicable	Not Applicable	Not Applicable
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous Air Pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No. We are not liable to check Air Emission, our Air Emission is within the prescribed limit.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Applicable	
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			
Volatile organic compounds (VOC)			
Hazardous Air Pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? – No.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details - Yes, installation of solar power generation

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023	FY 2022
Total Waste generated (in metric tonnes)		
Plastic waste (A)	15.88 MT	10.30 MT
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	0.57 MT
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Nil	Nil
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
Total (A+B + C + D + E + F + G + H)	15.88 MT	10.87 MT
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	Nil	Nil
(i) Recycled	Nil	Nil
(ii) Re-used	10.93 MT	6.62 MT
(iii) Other recovery operations	Nil	Nil
Total	15.88 MT	10.87 MT

Parameter	FY 2023	FY 2022
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	15.88 MT	10.87 MT
Total	15.88 MT	10.87 MT

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? – No, not required

- Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes- Development of sustainable products
- If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: Not applicable

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

- Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

- Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Compliance in terms of consent to operate by Pollution Control Board				

Leadership Indicators

- Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2023 (Amount in Rs.)	FY 2022 (Amount in Rs.)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	54,06,640	42,22,706.00
Total fuel consumption (E)	5,88,943	3,58,534.38
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	59,95,583	45,81,240.38

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? - No

2. Provide the following details related to water discharged:

Parameter	FY 2023	FY 2022
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? - No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): NIL

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	Nil	Nil
Total volume of water consumption (in kilolitres)	Nil	Nil
Water intensity per rupee of turnover (Water consumed / turnover)	Nil	Nil
Water intensity (optional) – the relevant metric may be selected by the entity	Nil	Nil
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil

Parameter	FY 2023	FY 2022
(ii) Into Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) Into Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? - No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023	FY 2022
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Applicable	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities- NIL

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format: Commissioning of Solar Power Generation shortly

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
NIL			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link- Disaster Management Plan available in terms of Emergency Preparation at site.

The same has been outlined in our Risk Management Policy i.e. <https://fineotex.com/wp-content/uploads/2023/04/Policy-for-Risk-Management.pdf>

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard- Development of sustainable products

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts - 50%

PRINCIPLE 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations: 9**
- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	TTC MIDC Industries Association	State
2	Chemexcil	National
3	The Synthetic & Art Silk Mills Research Association	State
4	Thane Belapur Industrial Association	State
5	Indian Speciality Chemical Manufacturing Association	State
6	Federation of Industries of India-TMA	State
7	Additional Ambernath Manufacturing Association	State
8	Bharat Chamber of Commerce	State
9	The Chemical and Alkali Merchants' Association	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities- Nil**

Name of Authority	Brief of the Case	Corrective action taken
There were no incidents of anti-competitive behaviour involving the Company during the reporting period (2022-23)		

Leadership Indicators

1. **Details of public policy positions advocated by the entity: Available Publically**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
None					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development:

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year- Not Applicable**

Name and Brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not applicable**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. **Describe the mechanisms to receive and redress grievances of the community:**

The company registered itself with the SCORES portal of the Securities and Exchange Board of India, where the Stakeholders can lodge their complaint. Further the company has dedicated investor grievances mail id where the stakeholders can raise their concern.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023	FY 2022
Directly sourced from MSMEs/ small producers	Nil	Nil
Sourced directly from within the district and neighboring districts	65%	70%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): NIL

Details of negative social impact identified	Corrective action taken
NA	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: Not applicable

S. No.	State	Aspirational District	Amount spent (In INR)
NA			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? - No

(b) From which marginalized /vulnerable groups do you procure- NA

(c) What percentage of total procurement (by value) does it constitute? - NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: NIL

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NA				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved- NIL

Name of authority	Brief of the Case	Corrective action
NA		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Promoting health care including preventive healthcare and sanitation	Public at large consisting of socially backward group, orphans, differently abled etc.	These have not been identified as vulnerable/ marginalized groups
2.	Eradicating hunger, poverty and malnutrition		
3.	Promoting education, including special education and livelihood enhancement projects.		
4.	Setting up homes and hostels for women and orphans, setting up old age homes, day care centers		

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback - Consumers complaints are attended by technical person. Within 2 days of receipt of complaints and materials is decided to be taken back if not as per standard.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:** The company is manufacturers of Industrial goods & all he packages cover GHS Symbol.

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. **Number of consumer complaints in respect of the following:**

	FY 2023		Remarks	FY 2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	N.A.	Nil	Nil	N.A.
Advertising	Nil	Nil	N.A.	Nil	Nil	N.A.
Cyber-security	Nil	Nil	N.A.	Nil	Nil	N.A.
Delivery of essential services	Nil	Nil	N.A.	Nil	Nil	N.A.
Restrictive Trade Practices	Nil	Nil	N.A.	Nil	Nil	N.A.
Unfair Trade Practices	Nil	Nil	N.A.	Nil	Nil	N.A.
Other	Nil	Nil	N.A.	Nil	Nil	N.A.

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	-
Forced recalls	5	Packaging issue due to damage in transit

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy** - We have installed firewall for cyber security and quick heal for data security. The web-link of the policy is <https://fineotex.com/wp-content/uploads/2023/08/Information-Security-Policy.pdf>
6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services-** Not required

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)-**
 The information on products of the Company can be accessed from the website of the Company at www.fineotex.com
Our Social Media Channel:
Linkedin: <https://www.linkedin.com/company/fineotexchemical/mycompany/>
Instagram: <https://instagram.com/fineotexchemical>
Facebook: <https://www.facebook.com/Fineotexchemical/>
2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services-** Product of industrial use and end users are well qualified technical manpower and are also educated during the trial runs
3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services-** Information related to any risk of disruption/discontinuation of essential services is communicated to consumers through e-mails, if such situation arises or likely to emerge.
4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?** Yes, the Company ensures that all the information as required to be displayed on the product labels as per the applicable rules and regulations are properly displayed.
5. **Provide the following information relating to data breaches:**
- Number of instances of data breaches along-with impact- NIL
 - Percentage of data breaches involving personally identifiable information of customers- NIL

Independent Auditor's Report

To

The members of Fineotex Chemical Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of FINEOTEX CHEMICAL LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2023, and its Profit (financial performance including other comprehensive income), the changes in equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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.

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, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other

information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, the standalone financial statements and our auditors report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors 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 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 also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b). In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c). The standalone financial statements dealt with by this Report are in agreement with the books of account;
 - (d). In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
 - (e). On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f). With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (g). With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, the remuneration paid / payable by the Company to its directors during the current year is in accordance with the provisions of and not in excess of limits laid down under Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us;
 - (h). 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 does not have any pending litigations which would impact its financial position.

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any 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 during the year ended 31st March, 2023.
- iv. a) The management has represented that, to the best of its knowledge and belief, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b) The management has represented, that, to the best of its knowledge and belief, 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, 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) As per the information and explanation given to us, to the best of our knowledge and belief, and audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. As stated in Note No 18(b) and 48 to the standalone financial statements
 - a) The final Dividend proposed in respect of the previous year but declared and paid by the company during the year under review, is in accordance with Section 123 of the Act, as applicable.
 - b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 01, 2023, reporting under this clause is not applicable in respect of the year under review.

FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)

(Shikha Jain)
Partner

Place: Mumbai
Date: May 20, 2023

Membership No. : 136484
UDIN: 23136484BGWWRE3626

ANNEXURE “A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FINEOTEX CHEMICAL LIMITED FOR THE YEAR ENDED 31ST MARCH 2023.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under. Matters specified in clauses (i)(a)(B),(d),(e), (iii) (a) (B), (v),(viii),(ix),(x),(xi) (b)(c),(xii),(xv),(xvi),(xvii),(xviii),(xx),(xxi) of paragraph 3 of the Companies (Auditor’s Report) Order, 2020 do not apply to the Company. Accordingly no comments have been made on the matters not applicable to the company.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment;
- (b) As per the information and explanations given to us, property, plant and equipment have been physically verified by the management at the reasonable intervals having regards to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
- (c) In our opinion and according to the information and explanations given to us, the title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statement are held in the name of the company;
- (ii) (a) As per the information and explanations given to us, the inventory except goods in transit, has been physically verified by the management during the year at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of Inventory were noticed on verification between the physical stock and the book records;
- (b) As per information and explanations given to us, and to the best of our knowledge and belief, during the year under review, the company has been sanctioned working capital limit in excess of Rs.500 Lakhs from bank on the basis of security of the current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.;
- (iii) According to information and explanations given to us, and to the best of our knowledge and belief, and based on examination of the books and records, during the year under review, the Company has not provided any guarantee and security to companies, firms, Limited Liability Partnerships or any other parties; however during the year under review, the company has made investments in other companies and has also granted unsecured loans and advances in the nature of loans, to other companies ;
- (a) According to information and explanations given to us, during the year under review the Company has provided loans or provided advances in the nature of loans, to any other entity,
- (A) The aggregate amount given during the year Rs.644.80 Lakhs and balance outstanding as at the Balance Sheet date Rs.5.79 Lakhs with respect to such advances to a Subsidiary ;
- (b) The Investments made and terms and conditions of the grant of all loans and advances in the nature of loans are, prima facie not prejudicial to the company’s interest;
- (c) According to the information and explanations given to us and based on examination of the books and records, there is no stipulation of schedule of repayment of principal and payment of interest for the loans and advances in the nature of loans given by the Company. As such we are unable to make specific comment on regularity of repayment of principal and payment of interest;
- (d) According to the information and explanations given to us and based on examination of the books and records, since the loans and advances in the nature of loans are given by the company without any stipulation of schedule of repayment of principal and payment of interest, we are unable to make any specific comment on the overdue outstanding as at year end ;
- (e) According to the information and explanations given to us and based on examination of the books and records, as the loans and advances in the nature of loans are given by the company without any stipulation of schedule of repayment of principal and payment of interest, we are unable to make any specific comment on any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
- (f) As per information and explanations given to us, and based on examination of the books and records, the company has granted loan and advances in the nature of loan that are repayable on demand or without specifying terms or period of repayment and in respect of such loans granted to related party as defined in clause (76) of section 2 of the Companies Act, 2013, the details are given here under :

(Rs. Lakhs)

	Other Then Related Parties	Related Party	Total
Aggregate amount of loans/ advances in nature of loans			
- Repayable on Demand or without specifying terms or period of repayment	-	5.79	5.79
Percentage of loans/ advances in nature of loans to the total loans	0%	100%	100%

- (iv) According to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act and the Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186;
- (v) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and 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;
- (vi) (a) As per the records of the Company and according to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, to the extent applicable to it;
- (b) According to the records of the Company and as per the information and explanations given to us there are no dues referred to in sub clause (a) of clause (vi) which have not been deposited on account of any dispute;
- (vii) As per information and explanations given by the management, no fraud by the company or on the Company has been noticed or reported during the year under review;
- (viii) According to the records of the Company and as per the information and explanations given to us, the transactions of the Company with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Ind AS;
- (ix) (a) According to the information and explanations given to us,, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the company for the period under audit and issued till date ;
- (x) On the basis financial ratios, ageing and expected date of realisations of financial assets and payment of financial liabilities, other information accompanying financial statements, our knowledge of board of directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our notice that causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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. However, we 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.

FORASL & CO.
Chartered Accountants
(Regn. No 101921 W)

(Shikha Jain)
Partner

Membership No. : 136484

Place: Mumbai
Date: May 20, 2023

ANNEXURE “B” REFERRED TO IN PARAGRAPH 2 (F) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FINEOTEX CHEMICAL LIMITED FOR THE YEAR ENDED 31ST MARCH 2023.

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 with reference to the financial statements of Fineotex Chemical Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements 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 (the “Guidance Note”) 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 with reference to the financial statements based on our audit.

We conducted our audit in accordance with 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 ICAI. 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 judgement, 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 with reference to the financial statements.

Meaning of Internal financial controls with reference to the financial statements

A company’s internal financial control with reference to the financial statements 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 with reference to the financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with reference to the financial statements

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In Our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)

(Shikha Jain)
Partner

Place: Mumbai
Date: May 20, 2023

Membership No. : 136484

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(Rs. In Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non - Current Assets			
Property, Plant & Equipment	3	7,678.67	6,333.96
Capital Work in Progress	3	36.25	-
Investment Property	3	393.57	393.57
Financial Assets			
Investments	4	7,629.48	2,758.11
Other Financial Assets	5	311.16	197.86
Non Current - Tax Assets (Net)	6	219.00	104.61
Other Non Current Assets	8	432.41	430.62
Total Non - Current Assets		16,700.54	10,218.73
Current Assets			
Inventories	9	3,734.59	4,847.83
Financial Assets			
Investments	10	-	0.01
Trade Receivables	11	7,312.42	7,514.99
Cash & Cash Equivalents	12	1,462.35	1,650.80
Bank Balance other than above	13	1,800.32	722.03
Other Financial Assets	14	34.08	10.45
Other Current Assets	15	506.24	1,373.04
		14,850.00	16,119.15
Asset Classified as Held for Sale	16	720.69	720.69
Total Current Assets		15,570.69	16,839.84
TOTAL ASSETS		32,271.23	27,058.57
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	17	2,214.97	2,214.97
Other Equity	18	24,743.73	19,960.82
TOTAL EQUITY		26,958.70	22,175.79
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	19	103.70	76.62
Provisions	20	2.83	13.60
Deferred Tax Liability (Net)	7	191.23	103.57
Total Non - Current Liabilities		297.76	193.79
Current Liabilities			
Financial Liabilities			
Borrowings	21	728.02	187.53
Trade Payables	22	-	-
Dues to Micro and Small Enterprises		-	-
Dues to Others		3,944.20	4,146.35
Other Financial Liabilities	23	15.54	12.58
Other Current Liabilities	24	293.89	318.52
Provisions	25	33.12	24.01
Total Current Liabilities		5,014.77	4,688.99
TOTAL LIABILITIES		5,312.53	4,882.78
TOTAL EQUITY AND LIABILITIES		32,271.23	27,058.57
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3 to 47		

As per our report of even date attached

For **ASL & CO**
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

FINEOTEX CHEMICAL LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. In Lakhs)

Particulars	Note. No.	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from Operations	26	29,555.04	25,007.90
Other Income	27	1,065.57	613.91
Total Income		30,620.61	25,621.81
Expenses			
Cost of Material Consumed	28	17,806.03	15,262.07
Purchases of Stock in Trade		701.09	58.04
Changes in Inventories of Finished Goods / Stock in Trade	29	(192.90)	(160.07)
Employee Benefit Expenses	30	1,564.46	1,149.65
Finance Cost	31	57.41	51.32
Depreciation and Amortization	3	336.99	225.43
Other Expenses	32	3,576.73	3,359.66
Total Expenses		23,849.81	19,946.10
Profit Before Tax		6,770.80	5,675.71
Tax Expenses			
Current Tax	7	1,475.00	1,238.51
Deferred Tax	7	87.58	39.21
(Excess) / Short Provision of Earlier Years		6.29	-
Total Tax Expense		1,568.87	1,277.72
Profit After Tax		5,201.93	4,397.99
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss			
Remeasurement of Defined Benefit Plans		0.35	(7.24)
Income Tax related to above		(0.09)	1.82
Total Other Comprehensive Income for the year		0.26	(5.42)
Total Comprehensive Income for the year		5,202.19	4,392.57
Earnings Per Share - Basic & Diluted (₹)		4.70	3.97
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3 to 47		

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(Rs. In Lakhs)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit / (Loss) Before Tax	6,770.80	5,675.71
	Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
	Depreciation & Amortization	336.99	225.43
	Finance Cost	57.41	51.32
	Employee Stock Option Plan	23.71	4.29
	Interest Income	(82.80)	(120.56)
	Dividend Income	(446.33)	(3.21)
	(Gain) / Loss on Fair Valuation of Investments	(280.95)	(308.67)
	Actuarial Valuation of Gratuity	0.35	(7.24)
	Unrealized Foreign Exchange Loss / (Gain)	(0.31)	1.03
	Operating Profit Before Changes in Working Capital	6,378.87	5,518.10
	Adjustment for Changes in Working Capital		
	(Increase) / Decrease in Trade Receivables	202.54	(1,722.81)
	(Increase) / Decrease in Inventories	1,113.23	(2,674.05)
	(Increase) / Decrease in Other Current Financial Assets	(23.63)	23.50
	(Increase) / Decrease in Other Current Assets	866.80	(363.82)
	(Increase) / Decrease in Other Non - Current Financial Assets	(113.31)	117.44
	(Increase) / Decrease in Other Non - Current Assets	(1.79)	(48.66)
	Increase / (Decrease) in Trade Payables	(202.15)	1,762.25
	Increase / (Decrease) in Other Current Financial Liabilities	2.96	2.64
	Increase / (Decrease) in Other Current Liabilities	(24.63)	43.44
	Increase / (Decrease) in Provisions	9.11	8.79
	Increase / (Decrease) in Provisions- Non Current	(10.77)	7.71
	Increase / (Decrease) in Other Non - Financial Liabilities	27.08	24.66
		1,845.44	(2,818.91)
	Cash Generated from Operations	8,224.31	2,699.19
	Less: Taxes Paid (Net of refund received)	(1,595.64)	(1,351.81)
	NET CASH FLOW FROM OPERATING ACTIVITY (A)	6,628.67	1,347.38
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchase of Property, Plant & Equipment & Intangible Assets	(1,717.95)	(1,500.18)
	Investments (purchased) / sold (net) in securities	(4,590.42)	1,733.62
	Movement in other bank balance	(1,078.29)	353.06
	Interest Received	82.80	120.56
	Dividend Received	446.33	3.21
	NET CASH FLOW FROM INVESTING ACTIVITY (B)	(6,857.53)	710.28

FINEOTEX CHEMICAL LIMITED

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
C	<u>CASH FLOW FROM FINANCING ACTIVITY</u>		
	Finance Cost	(57.41)	(51.32)
	Corporate Dividend paid	(442.99)	(332.25)
	NET CASH FLOW FROM FINANCING ACTIVITY (C)	(500.40)	(383.57)
D	<u>NET CASH FLOW FOR THE YEAR (A + B + C)</u>	(729.26)	1,674.08
	Add: Opening Balance of Cash & Cash Equivalents	1,463.28	(209.77)
	Add: Effects of exchange loss/(gain) on cash and cash equivalents	0.31	(1.03)
	CLOSING BALANCE OF CASH & CASH EQUIVALENTS	734.33	1,463.28

Note :

- i. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.
- ii. Reconciliation of Cash and Cash Equivalent

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:		
Balance with banks in current accounts	1,437.09	1,628.13
Cash on Hand	25.26	22.67
CASH AND CASH EQUIVALENT (REFER NOTE 11)	1,462.35	1,650.80
Add : Investment in liquid mutual funds (Refer Note 9)	-	0.01
Working Capital Facility from Bank (Refer Note 20)	(728.02)	(187.53)
CASH AND CASH EQUIVALENT IN CASH FLOW STATEMENT	734.33	1,463.28

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity Share Capital

(Rs. In Lakhs)

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Balance as the beginning of the reporting year	11,07,48,420	2,214.97	11,07,48,420	2,214.97
Less: Changes in Equity Capital during the year	-	-	-	-
Balance at the end of the reporting year	11,07,48,420	2,214.97	11,07,48,420	2,214.97

B. Other Equity

(Rs. In Lakhs)

	Reserves & Surplus					
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings	Equity Settled Share Based Payment Reserve	Total
Balance as at March 31, 2021 (A)	10.85	30.99	745.31	15,109.06	-	15,896.21
Additions during the year:						
Profit for the year	-	-	-	4,397.99	-	4,397.99
Addition for equity share options granted	-	-	-	-	4.29	4.29
Items of OCI for the year, net of tax:						
Remeasurement of the defined benefit plans	-	-	-	(5.42)	-	(5.42)
Total Comprehensive Income for the year 2021-2022 (B)	-	-	-	4,392.57	4.29	4,396.86
Transactions with Owners in their capacity as Owners:						
Final Dividend for the year ended 31st March 2021	-	-	-	(332.25)	-	(332.25)
Total (C)	-	-	-	(332.25)	-	(332.25)
Balance as at March 31, 2022 (D)=(A+B+C)	10.85	30.99	745.31	19,169.38	4.29	19,960.82
Additions during the year:						
Profit for the year	-	-	-	5,201.93	-	5,201.93
Addition for equity share options granted	-	-	-	-	23.71	23.71
Items of OCI for the year, net of tax:						
Remeasurement of the defined benefit plans	-	-	-	0.26	-	0.26
Total Comprehensive Income for the year 2022-2023 (E)	-	-	-	5,202.19	23.71	5,225.90
Transactions with Owners in their capacity as Owners:						
Final Dividend for the year ended 31st March 2022	-	-	-	(442.99)	-	(442.99)
Total (F)	-	-	-	(442.99)	-	(442.99)
Balance as at March 31, 2023 (D+E+F)	10.85	30.99	745.31	23,928.58	28.00	24,743.73

CORPORATE INFORMATION	1
SIGNIFICANT ACCOUNTING POLICIES	2
NOTES ON ACCOUNTS	3 to 47

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

SIGNIFICANT ACCOUNTING POLICIES

1 BACKGROUND

Fineotex Chemical Limited is a public limited by shares domiciled in India, incorporated under the provisions of Companies Act, 1956. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. Its registered office is situated at 42,43 Manorama Chambers, S.V. Road Bandra (West) Mumbai - 400050 India.

The Company is engaged in the business of manufacturing of Textile chemicals, auxiliaries and specialty chemicals.

2 STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the Significant Accounting Policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS FOR PREPARATION OF ACCOUNTS

a) Statement of compliance with Ind AS

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance 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 (as amended).

b) The Standalone financial statements are approved for issue by the Audit Committee and by the Board of Directors on 20th May, 2023.

c) **Current versus Non-Current classification**

All assets and liabilities have been classified as Current or Non Current as per the Company's normal operation cycle i.e. twelve months and other criteria set out in the Schedule III of the Act.

d) **Historical Cost Convention**

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- Certain financial assets and liabilities (including derivative instrument) measured at fair value;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- Defined benefit plans - plan assets measured at fair value

2.2 USE OF ESTIMATES

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, impairment of trade receivables, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.3 REVENUE RECOGNITION

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer.

a) Sale of Goods

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

b) Export Incentives

Export Incentives under various schemes are accounted in the year of export.

c) Dividend

Dividend income is recognised when the right to receive the same is established, which is generally when shareholders approve the dividend.

d) Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.4 FOREIGN CURRENCY TRANSACTIONS

a) Functional and Presentation Currency

The financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

b) Initial Recognition

Transactions in foreign currencies are recorded at the exchange rate prevailing on the dates of the transactions. Exchange difference arising on foreign exchange transaction settled during the year are recognized in the Statement of profit and loss of the year.

c) Measurement of foreign currency items at the Balance sheet date

Monetary assets and liabilities denominated in foreign currencies are re-translated into functional currency at the exchange rate prevailing at the end of the reporting period. Non monetary assets and liabilities that are measured based on a historical cost in a foreign currency are not re-translated. Exchange differences arising out of these transaction are charged to the profit and loss.

2.5 PROPERTY, PLANT AND EQUIPMENTS

a) Property, plant and equipment (PPE)

i) Recognition and measurement

Freehold land is carried at cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly attributable to the acquisition of the assets. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii) Subsequent expenditure

Expenditure incurred on substantial expansion up to the date of commencement of commercial production are capitalized. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

b) Capital Work-In-Progress And Pre-Operative Expenses During Construction Period

Capital work-in progress includes expenditure directly related to construction and incidental thereto. The same is transferred or allocated to respective Property, Plant and Equipment on their completion / commencement of commercial production.

c) Investment Property

i) Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated impairment losses, if any.

The Management does not expect any impairment in the value of Investment Property, hence no depreciation have been charged in respect of the same.

- ii) Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.
- iii) All other repairs and maintenance costs are expensed when incurred.
- iv) Any gain or loss on disposal of an investment property is recognised in the Statement of Profit and Loss.

d) Intangible assets

Intangible assets are held on the balance sheet at cost less accumulated amortization and impairment loss if any.

2.6 IMPAIRMENT OF NON- FINANCIAL ASSETS

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.7 DEPRECIATION AND AMORTISATION

Depreciation is calculated to systematically allocate the cost of Property, Plant and Equipment and Intangible Asset over the estimated useful life.

Depreciation is computed on pro-rata basis with using Straight Line Method (SLM) over the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013.

The estimated useful life of items of property, plant and equipment is mentioned below:

Asset	Years
Factory Building	30 Years
Office Premises	20 Years
Plant & Machinery	15 To 20 Years
Capex on Leasehold Premises	20 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Other Equipment	5 Years

The Company, based on technical assessment made by technical expert and management estimate, depreciates items certain of property plant and equipment (as mentioned below) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 (Schedule III). The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Office Premises and Capex on Leasehold Premises are depreciated over the estimated useful life of 20 Years which is lower than the life prescribed in Schedule II.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

2.8 NON-DERIVATIVE FINANCIAL INSTRUMENTS

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.

I. Financial assets

a) Initial recognition and measurement

- i) The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction cost that are attributable to the acquisition of the financial assets.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

- ii) All investments in equity instruments classified under financial assets are initially measured at fair value. Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

In case of Investments in Equity instruments, at initial recognition, the Company, makes an irrevocable election, to subsequently measure, investments in equity instruments at FVTOCI or FVTPL (Refer Note 4 & 38 for further details).

The Company makes such election on an instrument by instrument basis.

- iii) Trade receivable are carried at original invoice price as the sales arrangements do not contain any significant financial component. Purchase or sales of financial assets that required 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 assets.

b) Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company (Refer note 38 for further details). Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss.

Further, Investments in Equity instruments, neither held for trading nor are contingent consideration under a business combination, are recognized, at initial recognition, through irrevocably election, to be subsequently measured at FVTOCI (Refer Note 4 & 37 for further details).

Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI.

However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss when the right to receive payment is established, it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies (Refer note 37 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

c) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset,(except as mentioned in 2.8 (I) (b) ii above for financial assets measured at FVTOCI) the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

d) Reclassification

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

e) Investments in Subsidiaries, Associates and Joint Ventures:

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses if any in accordance with option available in Ind AS 27 - Separate Financial Statements.Details of Such Investments are given in Note no 4.

Where an indication of impairment exists, the carrying amount of the investment is assessed and the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

f) 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 following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised Cost e.g., loan, debt security, deposits, and bank balance.
- Trade Receivables The company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application simplified approach does not require the company to track change in risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivable. The provision matrix based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historically observed default rate updated and change in the forward looking estimates are analysed.

II. Financial Liabilities and equity instruments

Debt and equity instruments issued by an entity are classified as either financial liability or as equity in accordance with substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

a) Equity instruments:

An equity instruments is any contract the evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

b) Initial recognition and measurement:

Financial liabilities are measured initially at amortised cost, unless at initial recognition they are measured at fair value through Profit & Loss (“FVTPL”). in case of borrowings, trade and other payables, are initially recognised at fair value and subsequently, these liabilities are held at amortised cost using the effective interest method.

c) Derecognition

A financial liability is derecognized 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 the new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

d) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

2.9 INVENTORIES

i) Raw Material and Packing Material

Raw Materials and packing material are carried at lower of cost and net realizable value.

However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

The comparison of cost and net realizable value is made on an item-by item basis.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

In determining the cost of raw materials and packing materials First in First Out Method (FIFO) is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

ii) Work in Progress

Work-in-progress is valued at input material cost plus conversion cost as applicable.

iii) Finished Goods

Finished goods are valued at the lower of net realisable value and cost (including prime cost, non-refundable taxes and duties and other overheads incurred in bringing the inventories to their present location and condition), computed on estimated cost.

2.10 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such assets or disposal groups are classified only when both the conditions are satisfied:

- i. The sale is highly probable, and
- ii. The asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Noncurrent assets or disposal group are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Upon Classification Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

2.11 BORROWING COSTS

Borrowing Costs that are interest and other costs that the company incurs in connection with the borrowings of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest cost measured at EIR and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets, wherever applicable, till the assets are ready for their intended use. Such capitalisation is done only when it is probable that the asset will result in future economic benefits and the costs can be measured reliably. Capitalisation of borrowing cost is suspended and charged to statement when active development is interrupted. Capitalisation of borrowing costs commences when all the following conditions are satisfied:

- i. Expenditure for the acquisition, construction or production of a qualifying asset is being incurred;
- ii. Borrowing costs are being incurred; and
- iii. Activities that are necessary to prepare the asset for its intended use are in progress.

A qualifying asset is one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue account.

2.12 EMPLOYEE BENEFITS

Short term employee benefit obligations

Liabilities for wages, salaries, compensated absences including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment obligations

The Company operates the following post-employment schemes:

- A. Defined benefit plans such as Gratuity; and
- B. Defined contribution plan such as Provident Fund

Gratuity Obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered funds as per the local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Share-based Payments

Equity-settled share-based payments to employees that are granted are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the vesting conditions. It recognizes the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

2.13 ACCOUNTING FOR TAXES ON INCOME

Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in Deferred Tax Assets and Liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognised amounts; and
- ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.”

Deferred Taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences only if it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and Deferred Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit including MAT credit available is recognised as Deferred Tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset

The carrying amount of Deferred 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 Tax Asset to be utilised. Unrecognised Deferred Tax Assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognized amounts; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingent Liability

Contingent Liability is disclosed in the case of:

- i. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. A present obligation arising from the past events, when no reliable estimate is possible;
- iii. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

2.14 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 fulfillment 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.

i) Company as a Lessee

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

In respect of Leasehold Land, the Management does not expect any impairment hence no depreciation have been charged in respect the same.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to note 2.6 above for accounting policies on impairment of nonfinancial assets.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

c) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

ii) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as Finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. 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 net investment outstanding in respect of the lease.

2.15 EARNING PER SHARE

a) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

b) Diluted Earnings Per Share

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.16 CASH AND CASH EQUIVALENTS

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of bank overdrafts which are repayable on demand as these form an integral part of the Company's cash management.

2.17 DIVIDEND

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.18 ROUNDING OFF

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees, unless otherwise stated.

2.19 EXCEPTIONAL ITEMS

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.20 OPERATING CYCLE

All assets and liabilities have been classified as current or non-current as per each Company's normal operating cycle and other criteria set out in the Schedule III to the Act

2.21 SEGMENT REPORTING

As the Company has only one primary business activity, Segment reporting is not applicable.

2.22 RECENT PRONOUNCEMENT

Indian Accounting Standards:

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

On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below Ind AS 1- Presentation of Financial Statements- This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of accounting estimates and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

The Company is evaluating the impact of the amendments on the financial statement.

NOTE 3: PROPERTY, PLANT & EQUIPMENTS AND INVESTMENT PROPERTY

(Rs. In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT (AT COST)				ACCUMULATED DEPRECIATION / AMORTIZATION				NET CARRYING AMOUNT
	As At April 01, 2022	Additions / Transfers	Deductions / Adjustments	As At March 31, 2023	As At April 01, 2022	For The Year	Deductions / Adjustments	As At March 31, 2023	As At March 31, 2023
(A) Property, Plant & Equipments									
Land - Freehold	348.77	-	-	348.77	-	-	-	-	348.77
Land - Leashold (Right of Use Assets)	2,054.38	-	-	2,054.38	-	-	-	-	2,054.38
Factory Buildings	1,508.73	241.78	-	1,750.51	109.89	61.56	-	171.45	1,579.06
Office Premises (a)	541.13	-	-	541.13	117.28	28.44	-	145.72	395.41
Capex on Leasehold Premises	34.83	-	-	34.83	16.10	2.68	-	18.78	16.05
Plant & Machinery	1,878.20	1,165.84	-	3,044.04	208.98	141.21	-	350.19	2,693.85
Electrical Installation & Equipments	54.94	78.97	-	133.91	17.92	6.58	-	24.50	109.41
Furniture & Fixtures	138.83	16.18	-	155.01	26.96	14.26	-	41.22	113.79
Vehicles (b)	310.05	137.29	-	447.34	125.78	45.89	-	171.67	275.67
Office Equipments	77.22	25.57	-	102.79	29.99	15.15	-	45.14	57.65
Computers	78.89	16.07	-	94.96	39.11	21.22	-	60.33	34.63
Total - Tangible Assets	7,025.97	1,681.70	-	8,707.67	692.01	336.99	-	1,029.00	7,678.67
(B) Capital Work in Progress (c)	-	436.63	400.38	36.25	-	-	-	-	36.25
(C) INVESTMENT PROPERTY (a,d,e,f & g)	393.57	-	-	393.57	-	-	-	-	393.57
Total(A)+(B)+(C)	7,419.54	2,118.33	400.38	9,137.49	692.01	336.99	-	1,029.00	8,108.49

- a. - Office Premises includes fully paid unquoted shares in respect of ownership of Office Premises in 2 Co-operative Society (31st March 2022: 2 Co-operative Society); 15 shares (31st March 2022: 15 shares) of Rs.50/- each.
- Investment Property includes fully paid unquoted shares in respect of ownership of Office Premises in 1 Co-operative Housing Society (31st March 2022: 1 Co-operative Housing Society); 10 shares (31st March 2022: 10 shares) of Rs.50/- each.
- b. Motor Vehicles of Original Cost Rs.134.73 Lakhs as at 31st March 2023 (Previous Year as at 31st March 2022 Rs. 108.48 Lakhs) are in the name of the directors of the company.
- c. The amount of Contractual Commitments for the acquisition/construction of Property, Plant & Equipments is disclosed in Note No.33.
- d. The fair market value of investment property as determined in accordance with Level III input provided by Management is approximately Rs.225.24 Lakhs (Previous Year Rs.225.24 Lakhs).
- (Also Refer Note No 46(1))
- e. The Company has no restrictions on the realisability of its investment property. There are no contractual obligations to purchase, construct or develop investment property as at the year end.
- f. Investment property is leased out to tenant under operating leases. Disclosure on future rent receivable is included in note 40.
- g. Amount recognised in Profit & Loss for Investment Properties:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Rental income	9.19	6.75
Direct operating expenses from property that generated rental income	(0.98)	(0.24)
Impact of IND AS on Lease Rentals	0.28	0.47
Profit from investment properties before depreciation	8.49	6.98
Depreciation	-	-
Profit from investment property	8.49	6.98

NOTE 3: PROPERTY, PLANT & EQUIPMENTS AND INVESTMENT PROPERTY

(Rs. In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT (AT COST)				ACCUMULATED DEPRECIATION / AMORTIZATION				NET CARRYING AMOUNT
	As At April 01, 2021	Additions / Transfers	Deductions / Adjustments	As At March 31, 2022	As At April 01, 2021	For The Year	Deductions / Adjustments	As At March 31, 2022	As At March 31, 2022
(A) Property, Plant & Equipments									
Land - Freehold	348.77	-	-	348.77	-	-	-	-	348.77
Land - Leashold (Right of Use Assets)	2,054.38	-	-	2,054.38	-	-	-	-	2,054.38
Factory Buildings	1,100.88	407.84	-	1,508.73	58.96	50.93	-	109.89	1,398.83
Office Premises (a)	541.13	-	-	541.13	89.40	27.88	-	117.28	423.85
Capex on Leasehold Premises	34.83	-	-	34.83	13.41	2.68	-	16.10	18.73
Plant & Machinery	730.77	1,147.43	-	1,878.20	145.26	63.72	-	208.98	1,669.22
Electrical Installation & Equipments	41.84	13.10	-	54.94	14.54	3.38	-	17.92	37.02
Furniture & Fixtures	70.33	68.50	-	138.83	19.11	7.85	-	26.96	111.87
Vehicles (b)	246.50	63.56	-	310.05	83.37	42.41	-	125.78	184.27
Office Equipments	60.74	16.49	-	77.22	19.07	10.92	-	29.99	47.24
Computers	46.10	32.79	-	78.89	23.44	15.66	-	39.11	39.78
Total - Tangible Assets	5,276.27	1,749.71		7,025.97	466.56	225.43		692.01	6,333.96
(B) Capital Work in Progress (c)	264.53		264.53						
(C) INVESTMENT PROPERTY (a,d,e,f & g)	378.57	15.00		393.57					393.57
Total(A)+(B)+(C)	5,919.37	1,764.71	264.53	7,419.54	466.56	225.43		692.01	6,727.53

- a. - Office Premises includes fully paid unquoted shares in respect of ownership of Office Premises in 2 Co-operative Society (31st March 2021: 2 Co-operative Society); 15 shares (31st March 2021: 15 shares) of Rs.50/- each.
- Investment Property includes fully paid unquoted shares in respect of ownership of Office Premises in 1 Co-operative Housing Society (31st March 2021: 1 Co-operative Housing Society); 10 shares (31st March 2021: 10 shares) of Rs.50/- each.
- b. Motor Vehicles of Original Cost Rs. 108.48 Lakhs as at 31st March 2022 (Previous Year as at 31st March 2021 Rs. 108.48 Lakhs) are in the name of the directors of the company.
- c. The amount of Contractual Commitments for the acquisition/construction of Property , Plant & Equipments is disclosed in Note No.33.
- d. The fair market value of investment property as determined in accordance with Level III input provided by Management is approximately Rs.225.24 Lakhs (Previous Year Rs.225.24 Lakhs).
(Also Refer Note No 46(1))
- e. The Company has no restrictions on the realisability of its investment property. There are no contractual obligations to purchase, construct or develop investment property as at the year end.
- f. Investment property is leased out to tenant under operating leases. Disclosure on future rent receivable is included in note 40.
- g. Amount recognised in Profit & Loss for Investment Properties:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Rental income	6.75	8.63
Direct operating expenses from property that generated rental income	(0.24)	(0.69)
Impact of IND AS on Lease Rentals	0.47	0.12
Profit from investment properties before depreciation	6.98	8.06
Depreciation	-	-
Profit from investment property	6.98	8.06

NOTE 4 : FINANCIAL ASSETS - INVESTMENTS (NON - CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Units	Amount	No. of Units	Amount
A. Investment in Subsidiaries (Also Refer Note (a))				
In Equity Instruments (Unquoted and fully paid up)				
Carried at Cost less provision for other than temporary impairment				
Fineotex Malaysia Limited of US \$ 1.00 each	18,90,218	838.69	18,90,218	838.69
Fineotex Biotex Healthguard FZE (Formerly Known As Fineotex Specialities FZE) of US \$ 1.00 each	40,822	26.58	40,822	26.58
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited) of Rs.10 each	10,000	72.94	10,000	72.94
Fineotex Specialities Private Limited of Rs.10 each	10,00,000	100.00	10,00,000	100.00
Total (A)		1,038.21		1,038.21
B. Other Investments				
Carried at fair value through profit or loss				
In Equity Instruments (Quoted and fully paid up)	-	-	9,948.00	116.03
In Mutual Funds (Quoted and fully paid up) (Also Refer Note (b) & (c) below)	1,63,05,272.053	6,591.27	55,41,815.816	1,603.87
TOTAL (B)		6,591.27		1,719.90
Total (A+B)		7,629.48		2,758.11
Aggregate Amount of Quoted Investment - At Cost		6,275.53		1,581.59
Aggregate Amount of Quoted Investment - At market value		6,591.27		1,719.90
Aggregate amount of Unquoted Investments - At Cost		1,038.21		1,038.21
Aggregate amount of impairment in value of Investments (In Subsidiaries)		-		-

Note :

a. Information about Subsidiaries

Name of the Company	Country of Incorporation	% of Equity Interest	
		As at March 31, 2023	As at March 31, 2022
Fineotex Malaysia Limited	Malaysia	100.00	100.00
Fineotex Biotex Healthguard FZE (Formerly Known As Fineotex Specialities FZE)	UAE	100.00	100.00
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited) of Rs.10 each	India	100.00	100.00
Fineotex Specilities Private Limited	India	100.00	100.00

b. Other Investments carried at fair value through profit or loss includes, Investment under lien against working capital loan facility availed by the company (Also Refer Note No 21)

(Rs. In Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Units	At Cost	At MV	No. of Units	At Cost	At MV
Investment in Mutual Fund (Quoted & Fully Paid Up)	30,00,504.183	717.75	855.01	45,56,688.990	1,038.28	1,190.35

FINEOTEX CHEMICAL LIMITED

NOTE 5: FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits (Refer Note i. Below)	204.08	182.53
Fixed Deposits maturing after 12 months (Refer Note ii. Below & Note No 21)	107.08	15.33
Total	311.16	197.86

Note :

i. Security deposits (for Leasing of Premises) includes dues from Subsidiaries , Directors and its relatives as under: (Also Refer Note No 41).

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Dues from Subsidiaries	101.79	116.85
Dues from Directors	17.73	18.42
Dues from relative of Directors	18.03	16.83

ii. Receipts Pledged/Lien with Bank towards Bank Guarantee (Also refer Note No 33).

NOTE 6: NON CURRENT - TAX ASSET (NET)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current - Tax Asset (Net)	219.00	104.61
Total	219.00	104.61

NOTE 7: INCOME TAX

A. COMPONENTS OF INCOME TAX EXPENSES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Income Tax recognised in statement of profit & loss		
Current Tax		
Current year	1,481.29	1,238.51
Sub-Total	1,481.29	1,238.51
Deferred tax charge/ (credit)		
Origination and reversal of temporary difference	87.58	39.21
Sub-Total	87.58	39.21
Income Tax Expense recognised in Statement of Profit & Loss	1,568.87	1,277.72
II. Income Tax Expense recognised in OCI		
Deferred tax charge/ (credit)		
Remeasurement of the Defined Benefit Plans	0.09	(1.82)
Total	0.09	(1.82)

B. RECONCILIATION OF EFFECTIVE TAX RATES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(loss) before tax	6,770.80	5,675.71
Enacted Income Tax Rate in India	25.17%	25.17%
Income Tax expense calculated at enacted corporate tax rate	1,704.08	1,428.00
Effect of income to be excluded	(3.16)	(6.47)
Effect of expenses that are not deductible in determining taxable profit	4.24	4.24
Effect of income which is taxed at special rates	3.93	31.62
Effect of Fair Value Gains / (Loss)	(68.41)	(197.74)
Others	(183.34)	(55.70)
Total	1,457.34	1,203.95
Effective tax rate for the year	21.52%	21.21%

C. MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

(Rs. In Lakhs)

Particular	Net deferred tax asset / (liabilities) as on April 01, 2022	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on March 31, 2023
Deferred tax assets/ (liabilities)				
Property, plant and equipment	(131.96)	(60.51)	-	(192.47)
Investments	(18.68)	(19.58)	-	(38.26)
Investment Property	30.57	1.78	-	32.35
Employee benefits	0.49	(1.91)	(0.09)	(1.51)
Other Current Assets	16.01	(7.36)	-	8.65
Deferred tax assets/ (liabilities)	(103.57)	(87.58)	(0.09)	(191.24)

MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

(Rs. In Lakhs)

Particular	Net deferred tax asset / (liabilities) as on April 01, 2021	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on March 31, 2022
Property, Plant and Equipment	(95.86)	(36.10)	-	(131.96)
Investments	(46.37)	27.69	-	(18.68)
Investment Property	24.22	6.35	-	30.57
Employee benefits	0.06	(1.40)	1.82	0.49
Other Current Assets	51.76	(35.75)	-	16.01
Deferred tax assets/ (liabilities)	(66.19)	(39.21)	1.82	(103.57)

FINEOTEX CHEMICAL LIMITED

D. DEFERRED TAX ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets		
Employee Benefits	(1.51)	0.49
Investment Property	32.35	30.57
Other Current Assets	8.65	16.02
Total	39.49	47.08
Deferred Tax Liabilities		
Investment	38.26	18.68
Property, Plant and Equipment	192.46	131.97
Total	230.72	150.65
NET DEFERRED TAX ASSETS / (LIABILITIES)	(191.23)	(103.57)

NOTE 8: OTHER NON-CURRENT ASSETS

(Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances (Refer Note No 33)	432.41	430.62
Total	432.41	430.62

NOTE 9: INVENTORIES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(As taken, valued and Certified by a Director)		
Raw Materials	2,646.13	3,973.17
Packing Material	163.44	142.54
Finished Goods	925.02	732.12
(Includes Goods in Transit Rs. NIL (P.Y Rs. 49.99 Lakhs)		
Total	3,734.59	4,847.83

Note:

For Method of Valuation of Inventories refer Note No. 2.9

NOTE 10: FINANCIAL ASSETS - INVESTMENTS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Unit	Amount	No. of Unit	Amount
Investment carried at fair value through profit or loss				
Investment in Liquid Mutual Funds (Quoted and fully paid up)	-	-	1.110	0.01
Total		-		0.01
Aggregate Amount of Quoted Investment - At Cost		-		0.00
Aggregate amount of Quoted Investments - At market value		-		0.01

NOTE 11: FINANCIAL ASSETS - TRADE RECEIVABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Unsecured - Considered Good	7,312.42	7,514.99
Total	7,312.42	7,514.99

Trade Receivable ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	As at March 31, 2023					
	< 6 Months	6 months to 1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed						
Considered Good	6,631.57	494.42	165.44	3.39	17.60	7,312.42
Total	6,631.57	494.42	165.44	3.39	17.60	7,312.42

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	As at March 31, 2022					
	< 6 Months	6 months to 1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed						
Considered Good	7,401.84	48.85	1.43	31.40	31.47	7,514.99
Total	7,401.84	48.85	1.43	31.40	31.47	7,514.99

Notes:

- i. Trade receivable includes (Also Refer Note No 41):

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Dues from Subsidiaries	137.01	20.65
Dues from Private Companies in which any Director is a director or member	-	-

- ii. Refer Note - 38 for information about Credit Risk and Market Risk of Trade Receivables.

NOTE 12: FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks in Current Accounts	1,437.09	1,628.13
Cash on Hand	25.26	22.67
Total	1,462.35	1,650.80

FINEOTEX CHEMICAL LIMITED

NOTE 13: FINANCIAL ASSETS - OTHER BANK BALANCES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid Dividend Account (Refer Note i. Below)	3.90	3.40
Fixed Deposits maturing between 3 to 12 months (Refer Note ii. Below)	1,796.42	718.63
Total	1,800.32	722.03

Note :

- i. The Current Account balance includes unpaid dividend of Rs. 3.90 Lakhs as at 31st March 2023 (Previous Year as at 31st March 2022 Rs. 3.40 Lakhs) which have been kept in separate earmarked accounts and no transactions except for stated purpose are done through such accounts.
- ii. Fixed Deposits maturing between 3 to 12 months includes Receipts Pledged/Lien with Banks:

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Towards Bank Guarantee (Also refer Note no 33)	28.40	16.37
Towards Letter Of Credit	140.10	-
Towards Overdraft facility availed (Also refer Note no 21)	660.00	660.00

NOTE 14: FINANCIAL ASSETS - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due (Also Refer Note No 13)	31.03	8.47
Other Deposits	3.05	1.98
Total	34.08	10.45

- i. Interest accrued but not due includes dues for Advance to Subsidiary as under: (Also Refer Note No 41).

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Dues from Subsidiaries	-	0.41

NOTE 15: OTHER CURRENT ASSETS (Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances Other than capital advances		
Advances to Suppliers (Refer Note i Below)	200.61	397.39
Advance to Employees	1.85	2.20
Prepaid Expenses	112.91	80.54
Balances with Government Authorities	162.04	60.36

Particulars	As at March 31, 2023	As at March 31, 2022
Others		
Export Incentives Receivable	23.04	87.56
GST Refund Receivable	-	500.00
Inter Corporate Loan (Refer Note ii Below)	5.79	244.99
Total	506.24	1,373.04

Note :

- i. Advance to Supplier includes Rs.49.43 Lakhs as at 31st March, 2023 (Previous year Rs.68.86 Lakhs) due from Subsidiary Company (Also Refer Note No 41).
- ii. Intercompany Loan includes Rs. 5.79 lakhs as at 31st March 2023 (Previous year Rs.244.99 Lakhs) due from Subsidiary Company repayable on demand (Also Refer Note No 41 & 43).

Intercompany Loans are given in ordinary course of business for business activities.

NOTE 16: ASSETS CLASSIFIED AS HELD FOR SALE

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Investment (At Cost)		
Immovable Property (Also Refer Note No 24)	720.69	720.69
Total	720.69	720.69

Note :

- i. The Management intends to sell the immovable property acquired during the year ended 31st March 2018. An active program to locate the buyer and to complete the sale has already been initiated, the sale is expected to be completed in the next 12 months. Accordingly, the above assets have been classified as assets held for sale.
The Company pursuant to its intention, have received Advance for Sale of Property classified as held for Sale. The Company is in the process of completing the transfer of title and is expected to be completed in the financial year 2023-2024.
- ii. Further the fair value of these asset is higher than its carrying value as on 31st March 2023 and hence no impairment loss has been recognised.

NOTE 17: EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
14,00,00,000 (Previous year as at 31st March 2022 14,00,00,000) Equity Shares of Rs. 2/- each.	2,800.00	2,800.00
TOTAL AUTHORIZED SHARE CAPITAL	2,800.00	2,800.00
Issued, Subscribed & Paid Up		
11,07,48,420 (Previous year as at 31st March 2022 11,07,48,420) Equity Shares of Rs. 2/- each fully paid up.	2,214.97	2,214.97
TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2,214.97	2,214.97

FINEOTEX CHEMICAL LIMITED

a) Reconciliation of the number of shares outstanding :

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	11,07,48,420	2,214.97	11,07,48,420	2,214.97
Add: Issued during the year	-	-	-	-
Shares at the end	11,07,48,420	2,214.97	11,07,48,420	2,214.97

b) Rights, Preferences and restrictions attached to shares

The company has one class of equity shares having a face value Rs. 2/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders will be entitled to receive any of the remaining asset of the company in proportion to the number of equity shares held by the shareholders, after distribution of all the preferential amounts. However no such preferential amount exist currently.

c) Shareholders holding more than 5% shares each :

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Mr. Surendra Tibrewala (Refer Note No i. Below)	6,12,31,286	55.29%	6,12,01,330	55.26%
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	40,41,828	3.65%	68,08,595	6.15%

Note:

i. Shareholders holding more than 5% shares each includes shares held by Karta of HUF as under:

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Mr. Surendra Tibrewala - as a Karta of HUF	3,45,500	0.31%	3,45,500	0.31%

d) Other details of Equity Shares for a period of five years immediately preceding March 31, 2023

- Pursuant to approval of the Board of Directors of Company vide resolution dated 27th July, 2020 the Company has bought back 5,51,580 equity shares of Rs.2/- each from the open market at an average price of Rs.33.04 . The Company has paid a total amount of Rs. 182.25 Lakhs for the said buyback of shares.
- Pursuant to approval of the Board of Directors of Company vide resolution dated 14th November, 2016 the Company has bought back 9,98,110 equity shares of Rs.2/- each from the open market at an average price of Rs. 29.69 . The Company has paid a total amount of Rs. 292.65 Lakhs for the said buyback of shares.
- Pursuant to shareholders approval dated 28th May,2015, the Equity Shares of Rs.10/- each of the Company were sub-divided into 5 Equity Shares of Rs.2/- per share w.e.f. 12th June,2015.

e) Shares held by promoters at the end of the year

Promoter's Name	As at 31/03/2023		As at 31/03/2022		2022-23	2021-22
	No. of shares	% of Total shares	No. of shares	% of Total shares	% Change Inc / (Dec)	
Surendra Tibrewala Huf	3,45,500	0.31%	3,45,500	0.31%	-	-
Surendrakumar Deviprasad Tibrewala	6,08,85,786	54.98%	6,08,55,830	54.95%	-	-
Mitesh Vinod Jhunjhunwala	1,001	0.00%	1,001	0.00%	-	(82.59%)
Kanaklata Tibrewala	32,81,700	2.96%	32,81,700	2.96%	-	-
Aarti Mitesh Jhunjhunwala	81,050	0.07%	25,050	0.02%	223.55%	50000.00%
Sanjay Tibrewala	34,34,990	3.10%	32,83,990	2.97%	4.60%	2.18%
Ritu Aditya Gupta	11,000	0.01%	11,000	0.01%	-	-
Nidhi Sanjay Tibrewala	1,000	0.00%	1,000	0.00%	-	-
Kamal Chemicals Pvt. Ltd.	29,54,500	2.67%	29,54,500	2.67%	-	-
Proton Biochem Pvt Ltd	10,28,500	0.93%	10,28,500	0.93%	-	-

NOTE 18: Other Equity

(Rs. In Lakhs)

	Reserves & Surplus					
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings	Equity Settled Share Based Payment Reserve	Total
Balance as at March 31, 2021 (A)	10.85	30.99	745.31	15,109.06	-	15,896.21
<u>Additions during the year:</u>						
Profit for the year	-	-	-	4,397.98	-	4,397.98
Addition for equity share options granted (Refer Note No 39)	-	-	-	-	4.29	4.29
Items of OCI for the year, net of tax:						
Remeasurement of the defined benefit plans	-	-	-	(5.42)	-	(5.42)
Total Comprehensive Income for the year 2021-2022 (B)	-	-	-	4,392.56	4.29	4,396.85
Transactions with Owners in their capacity as Owners:						
Final Dividend for the year ended 31st March 2021	-	-	-	(332.25)	-	(332.25)
Total (C)	-	-	-	(332.25)	-	(332.25)
Balance as at March 31, 2022 (D)=(A+B+C)	10.85	30.99	745.31	19,169.38	4.29	19,960.82
<u>Additions during the year:</u>						
Profit for the year	-	-	-	5,201.93	-	5,201.93
Addition for equity share options granted (Refer Note No 39)	-	-	-	-	23.71	23.71
Items of OCI for the year, net of tax:						
Remeasurement of the defined benefit plans	-	-	-	0.26	-	0.26
Total Comprehensive Income for the year 2022-2023 (E)	-	-	-	5,202.19	23.71	5,225.90
Transactions with Owners in their capacity as Owners:						
Final Dividend for the year ended 31st March 2022	-	-	-	(442.99)	-	(442.99)
Total (F)	-	-	-	(442.99)	-	(442.99)
Balance as at March 31, 2023 (D+E+F)	10.85	30.99	745.31	23,928.58	28.00	24,743.73

a. Description of Nature and Purpose of the Reserves

Capital Reserve

Capital Reserve was created on acquisition of Proprietorship concern "Fineotex Chemical Industries" in FY 2007-08 in Slump Sale.

Capital Redemption Reserve

The Company had purchased its own shares and as per the provisions of the applicable laws, a sum equal to the nominal value of the shares so purchased is required to be transferred to the capital redemption reserve.

Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings

Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

Equity-Settled share-based payment reserve

This reserve is created by debiting the statement of profit and loss account with the value of share options granted to the employees by the Company. Once shares are issued by the Company, the amount in this reserve will be transferred to Share capital, Securities premium or retained earnings.

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Items of Other Comprehensive Income

Remeasurements of Net Defined Benefit Plans:

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

b. Dividends Paid during the year

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Corporate Dividend Paid During the year to Equity Share Holders		
Final Dividend Paid for FY 2021-2022 (Previous Year FY 2020-2021)	442.99	332.25
Dividend Per Fully Paid Up Share	0.40	0.30

NOTE 19: FINANCIAL LIABILITIES - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits from Customers	103.70	76.62
Total	103.70	76.62

NOTE 20: PROVISIONS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Gratuity Payable	2.83	13.60
Total	2.83	13.60

NOTE 21: FINANCIAL LIABILITIES - SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
SECURED :		
Loans repayable on demand		
From Banks (Also Refer note below)	728.02	187.53
Total	728.02	187.53

Note:

The above bank credit facility is secured against Fixed Deposits and pledged/lien on securities held by the Company (Also Refer Note No 4 & 13). Current borrowing from Bank are secured by hypothecation of current assets of the Company both present and future. Further working capital loan from bank is also secured by subservient charge on moveable Property of the company

NOTE 22: FINANCIAL LIABILITIES - TRADE PAYABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Undisputed		
Due to Micro, Small and Medium Enterprises (Refer Note Below)	-	-
Due to Others	3,944.20	4,146.35
Total	3,944.20	4,146.35

Note:
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-23, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act.

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal and interest amount remaining unpaid	-	-
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
Total	-	-

Trade payable ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	As at March 31, 2023				
	< 1 Year	1-2 years	2-3 years	> 3 Years	Total
Undisputed					
i) MSME	-	-	-	-	-
ii) Others	3,936.30	7.28	0.14	0.48	3,944.20
Total	3,936.30	7.28	0.14	0.48	3,944.20

Trade payable aging schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	As at March 31, 2022				
	< 1 Year	1-2 years	2-3 years	> 3 Years	Total
Undisputed					
i) MSME	-	-	-	-	-
ii) Others	4,129.90	14.24	2.21	-	4,146.35
Total	4,129.90	14.24	2.21	-	4,146.35

NOTE 23: FINANCIAL LIABILITIES - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest on Trade Deposit - Accrued but not due	11.64	9.18
Unclaimed Dividend (Also Refer Note Below)	3.90	3.40
Total	15.54	12.58

Note:

There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March 2023.

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NOTE 24: OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from Customer	34.18	60.24
Advance received for Asset held for Sale (Also Refer Note No 16)	107.00	107.00
Payable to Employees (Also Refer Note No 39)	89.08	91.04
Other Payables (Also refer Note No 41)	6.26	6.44
Statutory Liabilities	57.37	53.80
Total	293.89	318.52

NOTE 25: PROVISIONS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Leave Encashment	8.39	5.99
Bonus	24.73	18.02
Total	33.12	24.01

NOTE 26: REVENUE FROM OPERATIONS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of Products	29,456.01	24,875.74
Other Operating Income:		
Export Incentives & Entitlements	99.03	132.16
Total	29,555.04	25,007.90

NOTE 26- A: REVENUE FROM CONTRACTS WITH CUSTOMERS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	23,398.48	18,255.58
Exports	6,057.53	6,620.16
Total	29,456.01	24,875.74

Note:

- i. The amounts of receivable from customers become due after expiry of credit period . There is no significant financing component in any transaction with the customers
- ii. The company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

NOTE 27: OTHER INCOME

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Income from Financial Asset Carried at Amortised Cost	82.80	120.56
Dividend Income		
Received from Subsidiary (Also refer Notie No.41)	445.69	-
Received from Quoted Investments measured at FVTPL	0.64	3.21
Other Non - Operating Income		
Gains on Foreign Currency transactions	211.24	148.43
Net gain on sale / measurement of financial asset at FVTPL	280.95	308.67
Other Income	44.25	33.04
Total	1,065.57	613.91

NOTE 28: COST OF MATERIALS CONSUMED

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Raw Material Consumed	16,506.03	14,038.10
Packing Material Consumed	1,300.00	1,223.97
Total	17,806.03	15,262.07

NOTE 29: CHANGES IN INVENTORIES OF FINISHED GOODS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Stock :		
Finished Goods	732.12	572.05
Less : Closing Stock :		
Finished Goods	925.02	732.12
NET CHANGE IN INVENTORIES	(192.90)	(160.07)

NOTE 30: EMPLOYEE BENEFIT EXPENSES (Also Refer Note No 41)

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages and Bonus	1,442.74	1,067.28
Contribution to P.F & Other Funds		
Employer's Contribution to P. F.	38.33	30.12
Employer's Contribution to ESIC	2.28	1.86
Gratuity (Refer Note 39)	11.72	8.60
Staff Welfare Expenses	45.68	37.50
Employee Stock Option Plan (Refer Note 39)	23.71	4.29
Total	1,564.46	1,149.65

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NOTE 31: FINANCE COST

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expenses on Financial Liabilities carried at amortised Cost		
On Borrowing	19.03	27.35
Others (Including Interest on delay / deferred payment)	0.89	0.16
Bank and Other Financial Charges	37.49	23.81
Total	57.41	51.32

NOTE 32: OTHER EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Toll Conversion Charges	328.92	379.63
Power, Fuel and Utilities	114.58	93.30
Lease Rent / Hire Charges	166.00	152.10
Repairs & Maintenance on :		
Building	142.97	40.19
Plant and Machinery	43.12	71.45
Other Repairs	48.27	68.58
Insurance	70.31	59.06
Rates and Taxes	11.60	13.87
Professional Fees	262.77	368.62
Payment to Auditors :		
Audit Fees	5.50	4.00
Transfer Pricing Audit Fees	0.25	0.25
Certification Charges and Others	2.27	2.27
Other Services	6.06	1.95
Travelling and Conveyance	254.26	104.59
Commission	1,052.69	866.71
Reserch & Development Expenses	59.67	44.43
Printing & Stationery	24.36	26.39
Security Charges	38.87	18.49
Advertisement, Publicity & Business Promotion	64.73	38.08
Outward Freight Charges	594.34	826.72
Expenditure towards Corporate Social Responsibility (Also Refer Note No 34)	98.36	50.00
Miscellaneous expenses	186.83	128.98
Total	3,576.73	3,359.66

NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS

1. Bank Guarantee (Refer Note no 5 & 13)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding Bank Guarantees issued by Bankers	112.65	10.90
Total	112.65	10.90

2. Commitments (Refer Note No 8)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated Amount of Capital Commitments remaining to be executed and not provided for	1,175.12	1,125.44
Less: Advances Paid	432.41	430.62
Net Capital Commitments	742.71	694.82

NOTE 34: CORPORATE SOCIAL RESPONSIBILITY (Refer Note No 32)

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent as per Section 135 of the Companies Act, 2013	75.20	55.53
Amount approved by the Board to be spent	75.20	55.53
Amount Spent during the year		
Construction / Acquisition of any Asset	-	-
On purposes other than above	98.36	50.00
Total amount spent	98.36	50.00
Statement of unspent amount under section 135(5) of the Companies Act, 2013		
Opening Balance - (Excess) / Short Spent in Earlier Years	(2.01)	(7.54)
Amount Deposited in Sepcified Fund of Sch VII	-	-
Amount required to be spent	75.20	55.53
Amount Spent	98.36	50.00
Closing Balance	(25.17)	(2.01)
Nature of CSR Activities :		
As per Schedule VII of the Companies Act 2013		

NOTE 35: EARNINGS PER SHARE

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit after tax available for equity shareholders as per Statement of Profit & Loss	5,201.93	4,397.99
Weighted Average No. of Equity Shares for of Face Value Rs. 2/- each	11,07,48,420	11,07,48,420
Earnings Per Share - Basic & Diluted ₹	4.70	3.97

NOTE 36: CAPITAL MANAGEMENT

The Company's objective for Capital Management is to maximize shareholder value and support the growth of the Company and to optimize capital structure to reduce the cost of capital. The Company determines the capital requirement based on long term and strategic investment and capital expenditure plans. The funding requirements are met through a mix of equity and operating cash flows generated. The relevant quantitative information on the aforesaid parameters are disclosed in these financial statements.

The company monitors capital on the basis of the following gearing ratio :

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total interest bearing financial liabilities	831.72	264.15
Less : Cash and Cash Equivalents	1,462.35	1,650.80
Adjusted Net Debt	(630.63)	(1,386.65)
Total Equity	26,958.70	22,175.79
Adjusted Equity		
Net Debts to Equity Ratio - Times	(0.02)	(0.06)

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NOTE 37: FINANCIAL INSTRUMENTS - CLASSIFICATION AND FAIR VALUE MEASUREMENT

(a) Financial Assets and Liabilities

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets		
<u>Fair Value through Profit & Loss</u>		
Investments (Other than in Subsidiary)	6,591.27	1,719.91
<u>Amortised Cost</u>		
Trade Receivables	7,312.42	7,514.99
Cash & Cash Equivalents	1,462.35	1,650.80
Other Bank Balances	1,800.32	722.03
Other Financial Assets	345.25	208.31
Other Current Assets	5.79	244.99
Total	17,517.40	12,061.03
Financial Liabilities		
<u>Amortised Cost</u>		
Borrowings	728.02	187.53
Trade Payables	3,944.20	4,146.35
Other Financial Liabilities	119.24	89.20
Total	4,791.46	4,423.08

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair Value Hierarchy

The Fair Value Hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3 - Inputs are not based on observable market data (unobservable inputs).

The Financial Instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

For Assets and Liabilities which are measured at Fair Values as at the Balance Sheet date, the classification of fair value calculations by category is summarized below:

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets		
<u>Level 1</u>		
Investments in quoted equity shares	-	116.03
Investments in quoted mutual fund units	6,591.27	1,603.87
<u>Level 2</u>		
Security Deposit Given	201.93	182.63
Total	6,793.20	1,902.53
Financial Liabilities		
<u>Level 2</u>		
Security Deposit Accepted	8.97	8.96
Total	8.97	8.96

Measurement of Fair Values :

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of investment in shares is the share price quoted on recognised stock exchange as on the reporting date of balance sheet
- The fair values of investment in mutual fund is the N.A.V as on the reporting date of balance sheet
- The fair values of interest free security deposit given / accepted is estimated by discounting cash flows using rates currently available for instruments with similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value

NOTE 38: FINANCIAL RISK MANAGEMENT

The company's activities expose it to variety of financial risks: market risk, credit risk, interest rate risk and liquidity risk. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade Receivables and other financial assets	Ageing analysis	Diversification of bank deposits, credit limit and letter of credit
Market risk - foreign currency risk	Recognised financial assets and liabilities not denominated in Rupees	Very limited Exposure	Company manages through natural Hedge
Market risk - Security prices risk	Investment in Shares and Mutual funds	Sensitivity analysis	Portfolio diversification

The Company risk management is carried out by policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas. There is no change in objectives, polices and process for managing the risk and methods used to measure the risk as compared to previous year.

(a) Market Risk:-

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(a) (i) Market Risk - Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates primarily to the Company's borrowings, both short term and long term obligations with fixed and floating interest rates. However the companies exposure to floating rate borrowings are very limited to its size of operation .

The company is also exposed to interest rate risk on its financial assets that include fixed deposits (which are part of cash and cash equivalents) since all these are generally for short durations, there is no significant interest rate risks pertaining to these deposits.

Exposure to interest rate risk

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed-rate instruments		
Financial Liabilities - Borrowings	831.72	264.15
Total	831.72	264.15

Sensitivity analysis to interest rate risk

The company doesn't account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

(a) (ii) Market Risk - Price Risk(Securities)

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price.

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Exposure to Price Risk

Other price risk arises from financial assets such as investments in equity instruments and mutual funds disclosed below.

The Company does make deposit with the banks as margin money against the borrowing facility provided by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in Quoted Equity Shares	-	116.03
Investments in Quoted Mutual Funds	6,591.27	1,603.87
Total	6,591.27	1,719.90

Sensitivity analysis to Market Risk - Price Risk (Securities)

The company is mainly exposed to price risk arising mainly from investments in equity instruments and mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below. A sensitivity of 10% represents management's assessment of reasonably possible change in equity prices

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Equity Shares	-	-	11.60	(11.60)
Mutual Funds	659.13	(659.13)	160.39	(160.39)
Total	659.13	(659.13)	171.99	(171.99)

(a) (iii) Market Risk - Currency Risk

The company is having import and exports as well. Accordingly the company is exposed to currency risk on account of its trade payables and trade receivables in foreign currency. The functional currency of the company is Indian Rupees. The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. The exposed Foreign currency is not substantial to the operation of company.

Exposure to Currency risk

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

(In Lakhs)

Particulars	Foreign Currency	As at March 31, 2023	As at March 31, 2022
Financial Assets			
Trade and other receivables	USD	15.58	22.84
Cash & Cash Equivalent	USD	2.01	4.95
Cash & Cash Equivalent	EURO	0.12	0.12
Cash & Cash Equivalent	POUND	0.00	-
Cash & Cash Equivalent	YEN	1.50	-
Financial Liabilities			
Trade and other payables	USD	4.52	13.53
Trade and other payables	EURO	-	0.26

Sensitivity analysis to currency risk

(Rs. In Lakhs)

Foreign Currency	As at March 31, 2023		As at March 31, 2022	
	3% increase	3% Decrease	3% increase	3% Decrease
USD	32.21	(32.21)	32.45	(32.45)
EURO	0.31	(0.31)	(0.37)	0.37
POUND	0.00	(0.00)	-	-
YEN	0.03	(0.03)	-	-
Total	32.55	(32.55)	32.08	(32.08)

(b) Credit Risk

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of Financial Assets represents the maximum credit exposure.

Trade Receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, industry information, business intelligence and in some cases bank references.

Trade Receivables of the Company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit Risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customer's financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The Company has no concentration of Credit Risk as the customer base is geographically distributed in India.

Expected credit loss for trade receivable:

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Company uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof. Accordingly based on the provision matrix there is no expected credit loss to the company and accordingly there is no provision for doubtful debts

Other Financial Assets

The company maintains exposure in Cash and Cash equivalents and Bank deposits with banks, Equity Shares and Investments in Mutual Funds. The Company has diversified portfolio of investment with various number of counterparties which has good credit ratings, good reputation and hence the risk is reduced. Individual risk limits set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.

Expected credit loss on financial assets other than trade receivable:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from whom these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on such financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

The Company's maximum exposure to credit risk as at 31st March, 2023, and 31st March, 2022 is the carrying value of each class of financial assets.

(c) Liquidity Risk

Liquidity Risk is the risk that the Company will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements is retained as Cash and Cash Equivalents (to the extent required).

Exposure to Liquidity Risk

The responsibility of liquidity risk management rests with board of directors which are appropriate risk management framework for short, medium and long term liquidity measures with adequate cash flows and banking facilities.

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date.

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Working Capital Loans from Banks	728.02	-	187.53	-
Trade Payables	3,936.29	7.91	4,129.90	16.45
Other Financial Liabilities	15.54	103.70	12.58	76.62
Total	4,679.85	111.61	4,330.01	93.07

(d) Collateral

The Company has pledged its Non-Current as well as Current Assets to a consortium of lenders as collateral towards borrowings by the Company. Refer Note No. 21 for the detailed terms and conditions of the collaterals pledged.

NOTE 39: EMPLOYEE BENEFITS

(a) Retirement Benefits

As per Ind AS 19 the Company has recognized “Employees Benefits”, in the financial statements in respect of Employee Benefits Schemes as per Actuarial Valuation as on 31st March 2023.

(A) Defined benefit plans

i Retiring Gratuity

I Components of Employer Expenses

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Current Service Cost	11.53	8.49
Past Service Cost vested	-	-
Interest Cost	3.48	2.20
Expected Return on Plan Assets	(3.29)	(2.08)
Actuarial (Gain) / Loss	(0.87)	7.24
Total Expenses/(Gain) recognized in the Profit & Loss Account	10.85	15.85

II Net Asset/ (Liability) recognized in Balance Sheet

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Present value of Funded Obligation	61.75	50.29
Fair Value of Plan Assets	58.92	36.69
Assets/(Liability) recognized in the Balance Sheet	2.83	13.60

III Change in Defined Benefit Obligations (DBO)

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Opening Balance of Present Value of Obligation	50.29	37.41
Interest Cost	3.48	2.20
Current Service Cost	11.53	8.49
Past Service Cost - Vested Benefits	-	-
Actuarial (Gain)/Loss	(1.09)	7.44
Benefit Paid	(2.48)	(5.25)
Closing Balance of Present Value of Obligation	61.73	50.29

IV Changes in the Fair Value of Plan Assets

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Opening Balance of Present Value of Obligation	36.69	31.53
Expected Return on Plan Assets	(0.22)	0.20
Interest Income	3.29	2.08
Contribution by Employer	21.44	8.13
Benefit Paid	(2.48)	(5.25)
Fair Value of Plan Assets as at 31st March	58.72	36.69

V Actuarial Assumption

Particulars	March 31, 2023	March 31, 2022
Discount Rate (Per Annum)	7.10%	7.10%
Annual Increase in Salary Costs Per Annum	4.00%	4.00%
Attrition Rate	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

VI Major Categories of plan assets as a percentage of total plan assets

Particulars	March 31, 2023	March 31, 2022
Government of India Securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Insurance Company	100.00%	100.00%

VII Movement in net liability recognized in Balance Sheet

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Net Opening Liability	16.48	5.89
P & L Charges	11.72	8.60
Contribution paid	(2.48)	(5.25)
Other Comprehensive Income (OCI)	(0.87)	7.24
Closing Net Liability	24.85	16.48

VIII Gratuity - Sensitivity Analysis

(Rs. In Lakhs)

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Salary Growth Rate (1% movement)	67.05	57.13	55.99	54.87
Discount Rate (1% movement)	56.14	68.41	45.53	46.32

(B) Defined Contribution Plans

Amount recognised as expenses on account of "Contribution / Provision to and for Provident and other Funds" of Statement of Profit and Loss - Rs.40.61 Lakhs (Previous year Rs.31.98 lakhs).

(b) Employee stock option scheme

The Company has implemented "FCL-Employees Stock Option Plan 2020" (FCL-ESOP 2020) as approved by the shareholders on 30th October 2021. The plan covers eligible employees of the Company. The nomination and remuneration committee of the Board of Fineotex Chemical Limited administers these FCL-ESOP 2020 plans and grants stock options to eligible employees. Details of the options granted during the year under the Scheme are as given below:

Plan Description

Particulars	
Grant date	January 17, 2022
No of options granted	70,673
Exercise price per option	Rs.125.00
Vesting period	2.5 years
Exercise Period	0.5 years from Vesting
Stock option activity under the scheme(s) for the year ended 31st March is set out below:	

Particulars	
Outstanding of the beginning of the year	70,673
Granted during the year	-
Forfeited/cancelled during the year	29,162
Lapsed during the year	-
Exercised during the year	-
Outstanding at the end of the year	41,511
Exercisable at the end of the year	-
Weighted average remaining contractual life	3 Years
Weighted average Exercise price in Rs.	Rs 125.00
Range of exercise price in Rs.	Rs 125.00 to Rs.125.00
The weighted average share price for options exercised during year in Rs.	NA

Plan Description

Particulars	
Grant date	November 4,2022
No of options granted	8,000
Exercise price per option	Rs.2.00
Vesting period	1.75 years
Exercise Period	0.5 years from Vesting
Stock option activity under the scheme(s) for the year ended 31st March is set out below:	
Particulars	
Outstanding of the beginning of the year	-
Granted during the year	8,000
Forfeited/cancelled during the year	-
Lapsed during the year	-
Exercised during the year	-
Outstanding at the end of the year	8000
Exercisable at the end of the year	-
Weighted average remaining contractual life	2.25 Years
Weighted average Exercise price in Rs.	Rs 2.00
Range of exercise price in Rs.	Rs 2.00 to Rs.2.00
The weighted average share price for options exercised during year in Rs.	NA

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of Rs. 2 each.

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

Particulars	
Expected dividend yield (p.a.)	0.20%
Expected volatility (p.a.)	60.00%
Risk-free interest rate (p.a.)	5.12%
Share Price at grant date (Rs.)	152.30
Exercise price (Rs.)	125.00
Expected life of options granted in years (no. of years)	3
Weighted average fair value per option (Rs.)	75.80

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

Particulars	
Expected dividend yield (p.a.)	0.12%
Expected volatility (p.a.)	60.00%
Risk-free interest rate (p.a.)	6.79%
Share Price at grant date (Rs.)	339.60
Exercise price (Rs.)	2.00
Expected life of options granted in years (no. of years)	2.25
Weighted average fair value per option (Rs.)	75.80

NOTE 40: LEASES

The Company has entered into Operating Leases on Immovable Properties.

Assets Taken on Lease

Future minimum rentals payable under cancellable operating leases as at are, as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	In respect of operating lease on Immovable properties payments recognized in Statement of Profit and Loss.	141.49	104.74
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	115.93	76.51
	For the period later than one year and not later than five years	139.90	91.69

Assets Given on Lease

Future minimum rentals receivable under cancellable operating leases as at are, as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	In respect of Immovable properties given under operating lease, lease rent received and recognized in Statement of Profit and Loss.	27.19	24.75
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	27.00	27.00
	For the period later than one year and not later than five years	36.00	36.00

NOTE 41: RELATED PARTY

List of related parties and Relationship

A Enterprises where control exists :-

Subsidiaries (Extent of Holding)

S No.	Particular	% of Holding
1	Manya Manufacturing India Private Limited (formerly known as Manya Steel Private Limited)	100.00%
2	Fineotex Malaysia Limited	100.00%
3	Fineotex Biotex Healthguard FZE (formerly known as Fineotex Specialities FZE)	100.00%
4	Rovatex SDN BHD	74.76%
5	BT Biotex SDN BHD	72.38%
6	BT Chemicals SDN BHD	71.92%
7	Fineotex Specialities Private Limited	100.00%
8	BT Biotex Limited	100.00%

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B Enterprise in which Key Managerial Personnel and their relatives have significant Influence :

- 1 Proton Biochem Private Limited

C Key Managerial Personnel :

a. Executive Directors :

- 1 Surendra Tibrewala
- 2 Sanjay Tibrewala
- 3 Aarti Jhunjhunwala

b. Company Secretary

- 1 Hemant Auti (Resigned wef 07-12-2022)
- 2 Sunny Parmar - (Appointed wef 13-12-2022)

c. Non - Executive Directors : Independent

- 1 Navin Mittal
- 2 Alok Dhanuka
- 3 Bindu Shah
- 4 Sunil Waghmare
- 5 Anand Patwardhan (Resigned wef 16-05-2022)

d. Relatives of Key Managerial Personnel :

- 1 Kanaklata Tibrewala

D Transaction with Related Parties

i. Transaction during the year

(Rs. In Lakhs)

Particulars	Subsidiary Companies, Associates and Joint Venture		Key Management Personnel		Entities in which Key Management Personnel or its relatives are interested / Relative of Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
SALE OF GOODS (Net of Returns)								
BT Chemicals SDN BHD	51.02	151.24	-	-	-	-	51.02	151.24
BT Biotex SDN BHD	-	67.23	-	-	-	-	-	67.23
Rovatex SDN BHD	178.05	704.77	-	-	-	-	178.05	704.77
Proton Biochem Private Limited	-	-	-	-	-	1.70	-	1.70
Fineotex Specialities Private limited	-	104.90	-	-	-	-	-	104.90
Total	229.07	1,028.14	-	-	-	1.70	229.07	1,029.84
Sales Return								
Proton Biochem Private Limited	-	-	-	-	-	5.08	-	5.08
Total	-	-	-	-	-	5.08	-	5.08
RECEIVING OF SERVICES								
Proton Biochem Private Limited	-	-	-	-	52.50	208.00	52.50	208.00
Total	-	-	-	-	52.50	208.00	52.50	208.00
PURCHASE OF GOODS								
Rovatex SDN BHD	322.10	23.20	-	-	-	-	322.10	23.20
BT Chemicals SDN BHD	1,088.34	1,419.37	-	-	-	-	1,088.34	1,419.37
Fineotex Malaysia Limited	-	905.20	-	-	-	-	-	905.20
Proton Biochem Private Limited	-	-	-	-	-	194.86	-	194.86
Total	1,410.44	2,347.77	-	-	-	194.86	1,410.44	2,542.63

Particulars	Subsidiary Companies, Associates and Joint Venture		Key Management Personnel		Entities in which Key Management Personnel or its relatives are interested / Relative of Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
DIVIDEND INCOME								
Fineotex Malyasia Limited	445.69	-	-	-	-	-	445.69	-
Total	445.69	-	-	-	-	-	445.69	-
RENT INCOME								
Fineotex Specialities Private Limited	18.00	18.00	-	-	-	-	18.00	18.00
Total	18.00	18.00	-	-	-	-	18.00	18.00
RENT EXPENSE								
Manya Manufacturing India Private Limited	9.60	9.60	-	-	-	-	9.60	9.60
Surendra Tibrewala	-	-	7.65	7.80	-	-	7.65	7.80
Kanaklata Tibrewala	-	-	-	-	17.55	12.25	17.55	12.25
Sanjay Tibrewala	-	-	7.65	16.00	-	-	7.65	16.00
Total	9.60	9.60	15.30	23.80	17.55	12.25	42.45	45.65
COMMISSION PAID								
BT Chemicals SDN BHD	20.53	-	-	-	-	-	20.53	-
BT Biotex SDN BHD	-	2.65	-	-	-	-	-	2.65
Rovatex SDN BHD	14.71	53.81	-	-	-	-	14.71	53.81
Total	35.24	56.46	-	-	-	-	35.24	56.46
FREIGHT CHARGES								
BT Chemicals SDN BHD	-	14.22	-	-	-	-	-	14.22
BT Biotex SDN BHD	-	0.28	-	-	-	-	-	0.28
Rovatex SDN BHD	-	31.61	-	-	-	-	-	31.61
Total	-	46.11	-	-	-	-	-	46.11
MEMBERSHIP & SUBSCRIPTION								
Bt Biotex SDN BHD	12.30	11.35	-	-	-	-	12.30	11.35
Total	12.30	11.35	-	-	-	-	12.30	11.35
COMMISSION RECEIVED								
Bt Biotex SDN BHD	-	7.82	-	-	-	-	-	7.82
Total	-	7.82	-	-	-	-	-	7.82
INTEREST RECEIVED								
Fineotex Specilities Private Limited	2.66	35.70	-	-	-	-	2.66	35.70
Total	2.66	35.70	-	-	-	-	2.66	35.70
REMUNERATION TO DIRECTORS*								
Surendra Tibrewala	-	-	113.40	95.40	-	-	113.40	95.40
Sanjay Tibrewala	-	-	113.40	95.40	-	-	113.40	95.40
Aarti Jhunjhunwala	-	-	65.40	43.40	-	-	65.40	43.40

FINEOTEX CHEMICAL LIMITED

Particulars	Subsidiary Companies, Associates and Joint Venture		Key Management Personnel		Entities in which Key Management Personnel or its relatives are interested / Relative of Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
DIRECTORS FEES/SITTING FEES								
Navin Mittal	-	-	0.20	0.30	-	-	0.20	0.30
Alok Dhanuka	-	-	0.25	0.30	-	-	0.25	0.30
Bindu Shah	-	-	0.55	0.40	-	-	0.55	0.40
Sunil Waghmare	-	-	0.25	0.30	-	-	0.25	0.30
Anand Patwardhan	-	-	-	0.10	-	-	-	0.10
REMUNERATION TO COMPANY SECRETARY *								
Hemant Auti	-	-	4.72	5.93	-	-	4.72	5.93
Sunny Parmar	-	-	1.81	-	-	-	1.81	-
EMPLOYERS CONTRIBUTION TO PF								
Surendra Tibrewala	-	-	8.24	6.62	-	-	8.24	6.62
Sanjay Tibrewala	-	-	8.24	6.62	-	-	8.24	6.62
Aarti Jhunjunwala	-	-	5.35	3.24	-	-	5.35	3.24
Total	-	-	321.81	258.01	-	-	321.81	258.01
REIMBURSEMENT OF EXPENSES								
Manya Manufacturing India Private Limited	2.10	0.03	-	-	-	-	2.10	0.03
Fineotex Specialities Private limited	-	0.90	-	-	-	-	-	0.90
Fineotex Malaysia Limited	37.04	-	-	-	-	-	37.04	-
Total	39.14	0.93	-	-	-	-	39.14	0.93
ADVANCE GIVEN TO SUPPLIER								
BT Chemicals SDN BHD	-	68.86	-	-	-	-	-	68.86
Rovatex SND BHD	49.43	-	-	-	-	-	49.43	-
Total	49.43	68.86	-	-	-	-	49.43	68.86
ADVANCE GIVEN								
Fineotex Specialities Private Limited	653.50	1,619.23	-	-	-	-	653.50	1,619.23
Total	653.50	1,619.23	-	-	-	-	653.50	1,619.23
ADVANCE GIVEN RECEIVED BACK								
Fineotex Specialities Private Limited	892.71	1,420.57	-	-	-	-	892.71	1,420.57
Total	892.71	1,420.57	-	-	-	-	892.71	1,420.57

ii. Outstanding balances as on reporting date

(Rs. In Lakhs)

Particulars	Subsidiary Companies, Associates and Joint Venture		Key Management Personnel		Entities in which Key Management Personnel or its relatives are interested / Relative of Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
OUTSTANDING BALANCES INVESTMENTS								
Fineotex Malaysia Limited	838.69	838.69	-	-	-	-	838.69	838.69
Manya Manufacturing India Private Limited	72.94	72.94	-	-	-	-	72.94	72.94
Fineotex Biotex Healthguard FZE	26.58	26.58	-	-	-	-	26.58	26.58
Fineotex Specialities Private Limited	100.00	100.00	-	-	-	-	100.00	100.00
Total	1,038.21	1,038.21	-	-	-	-	1,038.21	1,038.21
RECEIVABLES								
BT Chemicals SDN BHD	42.77	18.62	-	-	-	-	42.77	18.62
Rovatex SDN BHD	92.62	-	-	-	-	-	92.62	-
Total	135.39	18.62	-	-	-	-	135.39	18.62
TRADE ADVANCE								
BT Chemicals SDN BHD	-	68.86	-	-	-	-	-	68.86
Rovatex SDN BHD	49.43	-	-	-	-	-	49.43	-
Total	49.43	68.86	-	-	-	-	49.43	68.86
SECURITY DEPOSIT GIVEN (Excluding effect of IND AS 113)								
Manya Manufacturing India Private Limited	116.36	116.85	-	-	-	-	116.36	116.85
SanjayTibrewala	-	-	10.00	10.00	-	-	10.00	10.00
Surendra Tibrewala	-	-	10.00	10.00	-	-	10.00	10.00
Kanaklata Tibrewala	-	-	-	-	20.00	20.00	20.00	20.00
Total	116.36	116.85	20.00	20.00	20.00	20.00	156.36	156.85
SECURITY DEPOSIT RECEIVED								
Fineotex Specialities Private Limited	5.98	5.97	-	-	-	-	5.98	5.97
Total	5.98	5.97	-	-	-	-	5.98	5.97
PAYABLES								
BT Chemicals SDN BHD	149.66	-	-	-	-	-	149.66	-
Proton Biochem Private Limited	-	-	-	-	4.22	113.28	4.22	113.28
Surendra Tibrewala - Rent	-	-	0.92	-	-	-	0.92	-
Kanaklata Tibrewala - Rent	-	-	-	-	2.11	-	2.11	-
Manya Manufacturing India Private Limited	0.72	0.72	-	-	-	-	0.72	0.72
Fineotex Malaysia Limited	37.04	766.27	-	-	-	-	37.04	766.27
Sanjay Tibrewala	-	-	0.77	-	-	-	0.77	-
Total	187.42	766.99	1.69	-	6.33	113.28	195.44	880.27

FINEOTEX CHEMICAL LIMITED

Particulars	Subsidiary Companies, Associates and Joint Venture		Key Management Personnel		Entities in which Key Management Personnel or its relatives are interested / Relative of Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
RECEIVABLE								
Fineotex Specialities Private Limited (Interest)	-	0.41	-	-	-	-	-	0.41
Fineotex Specialities Private Limited (Rent)	1.62	1.62	-	-	-	-	1.62	1.62
Total	1.62	2.03	-	-	-	-	1.62	2.03
REMUNERATION PAYABLE								
Surendra Tibrewala	-	-	1.72	0.40	-	-	1.72	0.40
Sanjay Tibrewala	-	-	2.22	7.20	-	-	2.22	7.20
Aarti Jhunjhunwala	-	-	0.44	2.58	-	-	0.44	2.58
Hemant Auti	-	-	-	0.54	-	-	-	0.54
Sunny Parmar	-	-	0.53	-	-	-	0.53	-
Total	-	-	4.91	10.72	-	-	4.91	10.72
LOAN GIVEN								
Fineotex Specialities Private Limited	5.79	244.99	-	-	-	-	5.79	244.99
Total	5.79	244.99	-	-	-	-	5.79	244.99

Note:

Related parties are identified by the Company and relied upon by the Auditors

* Provision for contribution to gratuity fund which are made based on actuarial valuation on overall company basis are not included in remuneration to Key Management Personnel.

42 NOTE 42: SEGMENT REPORTING

As the company has only one primary business activity, Segment Reporting is not applicable as per Ind AS 108 - Operating Segments

43 a. Loans given, Investments made and Corporate Guarantees given u/s 186(4) of the Companies Act, 2013 are disclosed under the respective notes.

b. Disclosure as per Regulation 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations:

Loans and advances in the nature of loans given to subsidiary and investment in shares of the Company by such parties:

(Rs. In Lakhs)

Name	Relation	Balance as at March 31, 2023.	Balance as at March 31, 2022.	Max Balance Outstanding during year March 31, 2023.	Max Balance Outstanding during year March 31, 2022.
Fineotex Specialities Private Limited	Wholly Owned Subsidiary	5.79	244.99	699.79	1,071.20

The above loan was given to the subsidiary for its business activities.

- 44 Balances of Trade Receivables, Trade Payables, Advances and Deposits received / given, from / to customers are subject to confirmation and subsequent reconciliation.
- 45 Figures in brackets indicate previous year's figures. Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to confirm with this year's classification.
- 46 Additional information Pursuant to paragraph 6 (L) of Part I of Schedule III of the Companies Act,2013 (as certified by the Director) is given in Annexure "A" hereto.
- 47 **EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:**

Dividend Proposed to be distributed:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Corporate Dividend for Equity Shareholders Proposed for the year		
Final Dividend Proposed	885.99	442.99
Dividend Proposed Per Fully Paid Up Share ₹	0.80	0.40

The Board of Directors at its meeting held on 20th May , 2023 have recommended a payment of final dividend of Rs.0.80 (Rupee Eighty paise only) per equity share of face value of Rs.2/- each for the financial year ended 31st March, 2023.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

CORPORATE INFORMATION	1
SIGNIFICANT ACCOUNTING POLICIES	2
NOTES ON ACCOUNTS	3 to 47

As per our report of even date attached

For **ASL & CO**
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

ANNEXURE “A” REFERRED TO IN NOTE NO. 46 OF NOTES TO FINANCIAL STATEMENTS

- 1) The company is following Cost Model for accounting of Investment Properties. The fair market value of Investment property (as measured for disclosure purpose in the financial statement) is in compliance with “IND AS 40 - Investment property” and is not based on valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 (Also refer Note No 3).
- 2) The Company has granted following Advances in the nature of Loans to its wholly owned subsidiary that is without specifying the period of repayment (Also refer Note No 15 & 41) :

(Rs. In Lakhs)

Type of Borrower	Amount of advance in the nature of loan outstanding		Percentage to the total Advances in the nature of loan outstanding	
	Current Year	Previous Year	Current Year	Previous Year
Wholly Owned Subsidiary	5.79	244.99	100.00%	100.00%

- 3) Capital-Work-in Progress (CWIP) - (Also Refer Note No 3)

CWIP aging schedule

Current Year

(Rs. In Lakhs)

CWIP	Amount in CWIP for a period of				
	< 1 years	1-2 years	2-3 years	> 3 Yrs	Total
Projects in progress	36.25	-	-	-	36.25
Projects temporarily suspended	-	-	-	-	-
	36.25	-	-	-	36.25

Previous Year

(Rs. In Lakhs)

CWIP	Amount in CWIP for a period of				
	< 1 years	1-2 years	2-3 years	> 3 Yrs	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

- 4) During the year , the Company has been sanctioned borrowing facility of Rs.3200.00 Lakhs from bank on the basis of security of Current Assets, however the borrowing was sanctioned in the month of Feb 2022 vide sanction letter dated 14th February, 2022 and Working Capital and Loan agreement executed dated 09th March, 2022.

5)	FINANCIAL RATIOS	As at March 31, 2023	As at March 31, 2022	Variance	Reason for Variance
				%	> 25%
A)	<u>CURRENT RATIO</u>	2.96	3.44	(13.95%)	N.A
B)	<u>DEBT EQUITY RATIO</u>	0.03	0.01	200.00%	Marginal increase in Debts Equity Ratio due to high utilisation of working capital limits.
C)	<u>DEBT SERVICE COVERAGE RATIO</u>	97.48	91.09	7.01%	N.A
D)	<u>RETURN ON EQUITY RATIO</u>	21.17%	21.83%	(3.02%)	N. A
E)	<u>INVENTORY TURNOVER RATIO</u>	6.86	7.09	(3.24%)	N. A
F)	<u>TRADE RECEIVABLES TURNOVER RATIO</u>	3.97	3.74	6.15%	Increase In sales Volume as Compare to Previous Year
G)	<u>TRADE PAYABLES TURNOVER RATIO</u>	4.15	5.59	(25.76%)	Getting Higher credit from Suppliers

5)	FINANCIAL RATIOS	As at March 31, 2023	As at March 31, 2022	Variance	Reason for Variance
				%	> 25%
H)	<u>NET CAPITAL TURNOVER RATIO</u>	2.77	2.67	3.74%	N.A
I)	<u>NET PROFIT RATIO</u>	17.60%	17.59%	0.06%	% NP Varies due to higher volume of additional capacity. However absolute net profit increase by Rs 803.94 Lakhs.
J)	<u>RETURN ON CAPITAL EMPLOYED</u>	24.49%	25.49%	(3.92%)	NA
K)	<u>RETURN ON INVESTMENT</u>				
	<u>On Capital Market Investments</u>	7.17%	14.02%	(48.86%)	Fluctuation in Market Price and Returns
	<u>On Fixed Income Securities</u>	5.17%	4.84%	6.82%	Reduction in Rates

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

FINEOTEX CHEMICAL LIMITED

FORMAOC -1

(Pursuant to first proviso to sub-section (3) of the section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associates / joint ventures

Part “A” - Subsidiaries

(Rs. In Lakhs)

1	Name of subsidiary	Manya Manufacturing India Private Ltd	Fineotex Specialities Pvt. Ltd.	BT Chemicals SDN. BHD	BT Biotex SDN.BHD	Rovatex SDN BHD	Fineotex Malaysia Limited	Fineotex Biotex Healthguard FZE	BT Biotex Limited
2	Reporting year / period ended	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
3	Date of becoming subsidiary	11-Nov-13	05-Sep-20	28-Jun-11	28-Jun-11	28-Jun-11	28-Jun-11	25-Jan-15	10-Nov-20
4	Reporting Currency	Rupees	Rupees	Malysian Ringets	Malysian Ringets	Malysian Ringets	USD	USD	USD
5	Exchange rate as on the last date of the relevant Financial Year in Rs.	1	1	18.09	18.09	18.09	80.57	80.57	80.57
Rupees in lakhs									
		Audited	Audited	Audited	Audited	Audited	Audited	Unaudited	Audited
6	Share Capital	1.00	100.00	94.97	0.02	0.19	1,522.95	32.89	8.06
7	Reserves & Surplus	37.25	4,487.72	572.55	1,068.27	229.57	1,989.76	116.64	340.89
8	Total Assets	156.01	5,247.15	3,610.00	1,436.34	1,660.05	3,517.45	159.20	349.60
9	Total Liabilities	117.76	659.43	2,942.47	368.04	1,430.28	4.73	9.67	0.65
10	Investments	20.76	2,321.09	-	-	-	1,654.37	-	-
11	Turnover	18.74	16,217.56	6,850.77	1,937.78	1,499.26	-	-	-
12	Profit before Taxation	11.78	4,616.57	381.54	49.36	181.01	361.08	(3.42)	(40.09)
13	Provision for Taxation	2.22	783.45	102.27	11.13	42.63	13.84	-	-
14	Profit after Taxation	9.56	3,833.12	279.26	38.24	138.38	347.24	(3.42)	(40.09)
15	Proposed Dividend	-	-	506.52	-	-	-	-	-
16	% of shareholding	100.00	100.00	71.92	72.38	74.76	100.00	100.00	100.00

BT Chemicals Sdn Bhd, BT Biotex Sdn Bhd, and Rovatex SdnBhd are subsidiaries of Fineotex Malaysia Limited

Part “B” : Associates & Joint Ventures Nil

For and on behalf of the Board of Directors

Sunny Parmer
Company Secretary
M No.A67264

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Place : Mumbai

Date : 20th May, 2023

Independent Auditor's Report

To

The members of Fineotex Chemical Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of FINEOTEX CHEMICAL LIMITED ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the reports of other auditors on separate financial statements and other financial information of the subsidiaries as referred to in "Other Matters" paragraph below in this audit report, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group as at March 31, 2023, and their consolidated Profit (consolidated financial performance including other comprehensive income), their consolidated changes in equity and their consolidated Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to "Other Matters" paragraph below in this audit report, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment

and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, 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, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements, the standalone financial statements and our report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information compare with the financial statement of the subsidiaries audited by other auditors, to the extent it relates to these entities and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information in so far it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors and management of the companies included in the Group are responsible for assessing the ability of their respective companies, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/management of the companies included in the Group are also responsible for overseeing the financial reporting process of the respective companies included in the Group.

Auditor's Responsibilities 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 Act, we are also responsible for expressing our opinion on whether the Group 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 ability of the Group's 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 Group 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 financial information/ financial statements of the entities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters" paragraph below in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements, of which we are independent auditors, 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.

Other Matters

- (i) We did not audit the financial statements of Six (6) subsidiaries included in the consolidated financial statements/financial information, whose financial statements/financial information reflects (before eliminating intercompany transactions) total assets of Rs.11,141.50 Lakhs as at March 31, 2023, total revenues of Rs.10,829.41 Lakhs, total net profit/(loss) after tax of Rs.769.17 Lakhs, and net cash inflows of Rs. 879.53 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors and whose audit reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far it relates to the aforesaid subsidiaries, is based solely on the audit reports of the other auditors.

Further, of these subsidiaries, five (5) subsidiaries are located outside India, whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted these financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, and matters identified and disclosed under key audit matters paragraph above, in so far as it relates to the balances and affairs of such subsidiaries located outside India, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

- (ii) We did not audit financial statements of one (1) subsidiary included in the consolidated financial statements/financial information, whose financial statements/financial information reflects (before eliminating intercompany transactions) total assets of Rs.162.24 Lakhs as at March 31, 2023, total revenues of Rs.27.15 Lakhs, total net profit/(loss) after tax of Rs. (3.42) Lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statements/financial information is unaudited and have been furnished to us and certified by the management, and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters paragraph above, and our report in terms of subsection (3) of Section 143 of the Act, in so far it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements/financial information. In our opinion, and according to the information and explanations given to us by the management, this financial statements/financial

information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements/financial information furnished to us certified by management.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") 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 Company and its subsidiary and , CARO report of the other statutory auditors of the subsidiary incorporated in India included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. As required by Section 143(3) of the Act, based on our audit and on consideration of reports of other auditors on separate financial statements and other financial information of subsidiaries as was audited by other auditors, referred to in "Other Matters" paragraph above, we report, to the extent applicable, that:
 - (a). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b). In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors;
 - (c). The Consolidated financial statements dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d). In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
 - (e). On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f). With respect to the adequacy of the internal financial controls with reference to the financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls,

where applicable, refer to our separate Report in “Annexure A” to this report;

- (g). With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and based on the reports of the other statutory auditors of the subsidiary incorporated in India and according to the information and explanations given to us, the remuneration paid / payable by the Holding Company and its subsidiary companies incorporated in India, where applicable, to their directors during the current year is in accordance with the provisions of and not in excess of limits laid down under Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us;
- (h). 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 and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries as referred to in the “Other Matters” paragraph above:
- i. the Group does not have any pending litigations which would impact consolidated financial position of the Group.
 - ii. the Group did not have any long-term contracts including derivative contracts for which there were any 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 Holding Company and its subsidiary company incorporated in India during the year ended March 31, 2023.
 - iv. a) The respective managements of the company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and other auditors of the subsidiary that, to the best of their knowledge and belief, 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 or any of such subsidiaries 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever

by or on behalf of the company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and other auditors of the subsidiary that, to the best of their knowledge and belief, no funds have been received by the company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company or any of such subsidiaries 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) As per the information and explanation given to us , to the best of our knowledge and belief, and audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. As stated in Note No 18(b) and 46 to the consolidated financial statements
 - a) The final Dividend proposed in the previous year, declared and paid by the company during the year is in accordance with Section 123 of the Act, as applicable.
 - b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

FORASL & CO.
Chartered Accountants
 (Regn. No 101921 W)

(Shikha Jain)
Partner

Place: Mumbai
Date: May 20, 2023

Membership No. : 136484
UDIN: 23136484BGWWRG6154

ANNEXURE “A” REFERRED TO IN PARAGRAPH 1 (F) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF FINEOTEX CHEMICAL LIMITED FOR THE YEAR ENDED MARCH 31, 2023.

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 with reference to the financial statements of Fineotex Chemical Limited (“the Company” or “the Holding Company”) and its subsidiary company incorporated in India, as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 internal financial controls with reference to the financial statements of the Holding Company and its subsidiary company incorporated in India, where such reporting under Section 143(3) of the Companies Act, 2013 is applicable, based on our audit.

We conducted our audit in accordance with 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 ICAI. 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, 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 and the audit evidence obtained by other auditors of the subsidiary company incorporated in India, in terms of their reports referred to in “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to the financial statements of the Holding Company and its subsidiary company incorporated in India, where such reporting under Section 143(3) of the Companies Act, 2013 is applicable.

Meaning of Internal financial controls with reference to the Consolidated Financial Statements

A company’s internal financial control with reference to the financial statements 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 with reference to the financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the financial statements, 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements may become inadequate because of changes in conditions,

or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In Our opinion, to the best of our information and according to the explanations given to us, and based on the consideration of other auditors referred to in “Other Matters” paragraph below, the Holding Company and its subsidiary company incorporated in India, where such reporting under Section 143(3) of the Companies Act, 2013 is applicable, have, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one (1) subsidiary company, incorporated in India and where such reporting under Section 143(3) of the Companies Act, 2013 is applicable, is based solely on the corresponding reports of the auditors of such company incorporated in India. Our opinion is not modified in respect of the above matters.

FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)

(Shikha Jain)
Partner

Place: Mumbai
Date: May 20, 2023

Membership No. : 136484

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(Rs. In Lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non - Current Assets			
Property, Plant & Equipment	3	8,880.20	7,396.46
Capital Work - In - Progress	3	36.25	-
Investment Property	3	393.57	393.57
Goodwill on Consolidation		613.85	613.85
Financial Assets			
Investments	4	8,933.12	1,730.89
Others	5	237.57	81.01
Non Current Assets - Income Tax	7	331.66	120.62
Other Non - Current Assets	8	450.39	432.53
Total Non - Current Assets		19,876.61	10,768.93
Current Assets			
Inventories	9	4,729.36	5,959.34
Financial Assets			
Investments	10	-	0.01
Trade Receivables	11	10,140.06	11,088.76
Cash & Cash Equivalents	12	3,756.64	3,083.52
Bank Balance other than above	13	2,200.32	722.03
Other Financial Assets	14	71.31	314.01
Other Current Assets	15	774.90	1,291.95
		21,672.59	22,459.62
Asset classified as Held for Sale	16	720.69	720.69
Total Current Assets		22,393.28	23,180.31
TOTAL ASSETS		42,269.89	33,949.24
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	2,214.97	2,214.97
Other Equity	18	32,651.44	23,999.53
Equity attributable to owners of the parent		34,866.41	26,214.50
Non-controlling Interest		700.66	725.16
Total Equity		35,567.07	26,939.66
Liabilities			
Non - Current Liabilities			
Other Financial Liabilities	19	103.70	76.61
Provisions	20	2.83	13.60
Deferred Tax Liabilities (Net)	6	212.11	112.07
Total Non - Current Liabilities		318.64	202.28
Current Liabilities			
Financial Liabilities			
Borrowings	21	728.02	190.84
Trade Payables	22	4,735.83	5,877.34
Other Financial Liabilities	23	15.54	14.83
Other Current Liabilities	24	868.94	699.20
Provisions	25	35.85	25.09
Total Current Liabilities		6,384.18	6,807.30
Total Liabilities		6,702.82	7,009.58
TOTAL EQUITY AND LIABILITIES		42,269.89	33,949.24
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3 to 47		

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

FINEOTEX CHEMICAL LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. In Lakhs)

Particulars	Note. No.	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from Operations	26	51,699.57	36,823.29
Other Income	27	730.45	551.55
Total Income		52,430.02	37,374.84
Expenses			
Cost of Material Consumed	28	34,062.54	21,718.32
Purchase of Stock In Trade	29	128.46	1,901.62
Changes in Inventories of Finished Goods / Stock in Trade	30	(268.45)	(107.06)
Employee Benefit Expenses	31	1,837.99	1,357.50
Finance Cost	32	82.05	92.32
Depreciation and Amortisation	3	427.99	251.30
Other Expenses	33	4,679.56	4,832.04
Total Expenses		40,950.14	30,046.04
Profit Before Tax		11,479.88	7,328.80
Tax Expenses			
Current Tax	6	2,418.68	1,593.03
Deferred Tax	6	99.43	46.80
(Excess) / Short Provision of Earlier Years		6.29	-
Total Tax Expense		2,524.40	1,639.83
Profit After Tax		8,955.48	5,688.97
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss			
Remeasurement of Defined Benefit Obligation / Asset		0.35	(7.24)
Income Tax related to above		(0.09)	1.82
Total Other Comprehensive Income for the year		0.26	(5.42)
Total Comprehensive Income for the year		8,955.74	5,683.55
Profit Attributable to:			
Owners of the Company		8,831.58	5,517.44
Non Controlling Interest		123.90	171.53
		8,955.48	5,688.97
Other Comprehensive Income Attributable to:			
Owners of the Company		0.26	(5.42)
Non Controlling Interest		-	-
		0.26	(5.42)
Total Other Comprehensive Income Attributable to:			
Owners of the Company		8,831.84	5,512.02
Non Controlling Interest		123.90	171.53
		8,955.74	5,683.55
Earnings Per Share - Basic & Diluted (₹)	35	7.97	4.97
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3 to 47		

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(Rs. In Lakhs)

Particulars	For the Year ended March 31, 2023	For The Year ended March 31, 2022
A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit / (Loss) Before Tax	11,479.88	7,328.80
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
Depreciation & Amortisation	427.99	251.30
Finance Cost	82.05	92.32
Interest Income	(104.67)	(94.21)
Employee Stock Option Plan	23.71	4.29
Dividend Income	(0.64)	(3.21)
Net gains / (losses) on fair value changes	(338.95)	(309.59)
Actuarial Valuation of Gratuity	0.35	(7.24)
	89.84	(66.34)
Operating Profit Before Changes in Working Capital	11,569.72	7,262.46
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	948.69	(2,821.71)
(Increase) / Decrease in Inventories	1,229.98	(3,083.99)
(Increase) / Decrease in Other Current Financial Assets	242.69	(280.18)
(Increase) / Decrease in Other Current Assets	517.05	(102.65)
(Increase) / Decrease in Other Non - Current Financial Assets	(156.55)	112.22
(Increase) / Decrease in Other Non - Current Assets	(17.85)	(49.35)
Increase / (Decrease) in Trade Payables	(1,141.51)	2,193.79
Increase / (Decrease) in Other Current Financial Liabilities	0.70	4.89
Increase / (Decrease) in Other Current Liabilities	169.74	(206.53)
Increase / (Decrease) in Provisions	(0.01)	17.58
	1,792.93	(4,215.93)
Cash Generated from Operations	13,362.65	3,046.53
Less: Taxes Paid (Net of refund received)	(2,635.50)	(1,709.00)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	10,727.15	1,337.53
B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Property, Plant & Equipment & Intangible Assets	(1,943.46)	(2,251.19)
FCTR on PPE	(4.51)	(4.23)
Investments during the year	(6,863.28)	1,730.56
Interest Received	104.67	94.21
Dividend Received	0.64	3.21
Movement in Other Bank balances	(1,478.29)	353.06
NET CASH FLOW FROM INVESTING ACTIVITY (B)	(10,184.23)	(74.38)

FINEOTEX CHEMICAL LIMITED

Particulars		For the Year ended March 31, 2023	For The Year ended March 31, 2022
C	<u>CASH FLOW FROM FINANCING ACTIVITY</u>		
	Deposits and Margin Money	27.09	24.66
	Finance Cost	(82.05)	(92.32)
	Corporate Dividend paid (incl. Dividend Distribution Tax)	(588.94)	(498.28)
	NET CASH FLOW FROM FINANCING ACTIVITY (C)	(643.90)	(565.94)
D	<u>EFFECT OF EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH AND CASH EQUIVALENTS (D)</u>	236.91	141.43
E	<u>NET CASH FLOW FOR THE YEAR (A + B + C+D)</u>	135.93	838.63
	Add: Opening Balance of Cash & Cash Equivalents	2,892.69	2,054.05
	CLOSING BALANCE OF CASH & CASH EQUIVALENTS	3,028.62	2,892.69

Note :

- i. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.
- ii. Reconciliation of Cash and Cash Equivalent

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:		
Balance with banks in current accounts	3,724.92	3,058.63
Cash on Hand	31.72	24.89
CASH AND CASH EQUIVALENT	3,756.64	3,083.52
Add : Investment in liquid mutual funds (Refer Note 10)	-	0.01
Working Capital Facility from Bank (Refer Note 21)	(728.02)	(190.84)
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	3,028.62	2,892.69

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity Share Capital

(Rs. In Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Balance as the beginning of the reporting period	11,07,48,420	2,214.97	11,07,48,420	2,214.97
Add: Changes in Equity Capital during the year	-	-	-	-
Balance at the end of the reporting period	11,07,48,420	2,214.97	11,07,48,420	2,214.97

B. Other Equity

(Rs. In Lakhs)

Particulars	Attributable to Owners							
	Reserves & Surplus				Other Reserves			Non controlling Interest
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings	Equity Settled Share Based Payment Reserve	Foreign Currency Translation	Total Other Equity	
Balance as at March 31, 2021 (A)	10.85	30.99	806.20	17,886.41	-	(15.62)	18,718.84	674.85
Additions during the year:								
Profit for the period	-	-	-	5,517.44	-	-	5,517.44	171.53
Addition for equity share options granted	-	-	-	-	4.29	-	4.29	-
Currency Translation Reserve	-	-	-	-	-	96.62	96.62	44.81
Items of OCI for the year, net of tax:								
Remeasurement of the defined benefit plans	-	-	-	(5.42)	-	-	(5.42)	-
Total Comprehensive Income for the year 2021-2022 (B)	-	-	-	5,512.02	4.29	96.62	5,612.93	216.34
Transactions with Owners in their capacity as Owners:								
Final Dividend for the year ended 31st March 2021	-	-	-	(332.25)	-	-	(332.25)	(166.03)
Total (C)	-	-	-	(332.25)	-	-	(332.25)	(166.03)
Balance as at March 31, 2022 (D)=(A+B+C)	10.85	30.99	806.20	23,066.19	4.29	81.00	23,999.53	725.16
Additions during the year:								
Profit for the period	-	-	-	8,831.58	-	-	8,831.58	123.90
Addition for equity share options granted	-	-	-	-	23.71	-	23.71	-
Currency Translation Reserve	-	-	-	-	-	239.36	239.36	(2.45)
Items of OCI for the year, net of tax:								
Remeasurement of the defined benefit plans	-	-	-	0.26	-	-	0.26	-
Total Comprehensive Income for the year 2022-2023 (E)	-	-	-	8,831.84	23.71	239.36	9,094.91	121.45
Transactions with Owners in their capacity as Owners:								
Dividend for the year ended 31st March 2022	-	-	-	(442.99)	-	-	(442.99)	(145.95)
Total (F)	-	-	-	(442.99)	-	-	(442.99)	(145.95)
Balance as at March 31, 2023 (D+E+F)	10.85	30.99	806.20	31,455.04	28.00	320.36	32,651.44	700.66

CORPORATE INFORMATION

1

SIGNIFICANT ACCOUNTING POLICIES

2

NOTES ON ACCOUNTS

3 to 47

As per our report of even date attached

For ASL & CO

Chartered Accountants

Firm Reg. No. 101921W

Shikha Jain

Partner

Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala

Chairman & Managing Director

DIN : 00218394

Sunny Parmar

Company Secretary

M.No. A67264

Mumbai, 20th May 2023

Sanjay Tibrewala

Executive Director & CFO

DIN : 00218525

SIGNIFICANT ACCOUNTING POLICIES

1 BACKGROUND

Fineotex Chemical Limited is a public limited by shares domiciled in India, incorporated under the provisions of Companies Act, 1956. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. Its registered office is situated at 42,43 Manorama Chambers, S.V. Road Bandra (West) Mumbai - 400050 India.

The Group is engaged in the business of manufacturing of Textile chemicals, auxiliaries and specialty chemicals. Fineotex Chemical Limited along with its Subsidiaries is collectively referred to as “the Group”

2 STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the Significant Accounting Policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS FOR PREPARATION OF ACCOUNTS

a) Statement of compliance with Ind AS

The Standalone Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These Consolidated Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these Consolidated Financial Statements

b) The Consolidated financial statements are approved for issue by the Audit Committee and by the Board of Directors on 20th May , 2023.

c) Current versus Non-Current classification

All assets and liabilities have been classified as Current or Non Current as per the Group’s normal operation cycle i.e. twelve months and other criteria set out in the Schedule III of the Act.

d) Historical Cost Convention

financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- Certain financial assets and liabilities (including derivative instrument) measured at fair value;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- Defined benefit plans - plan assets measured at fair value.

e) Principles of Consolidation

The Consolidated financial statement of the Group represents consolidation of financial statements with Subsidiary companies. The proportion of ownership interest in each Subsidiary is as follows:

Name of the subsidiaries	Country of Incorporation	Proportion of Ownership Interest	
		As at March 31, 2023	As at March 31, 2022
Fineotex Malaysia Limited	Malaysia	100.00%	100.00%
BT Chemicals SDN BHD	Malaysia	71.92%	71.92%
BT Biotex SDN BHD	Malaysia	72.38%	72.38%
Rovatex SDN BHD	Malaysia	74.76%	74.76%
Fineotex Biotex Healthguard FZE (formerly known as Fineotex Specialities FZE)	UAE	100.00%	100.00%
Manya Manufacturing India Private Limited (formerly known as Manya Steel Private Limited)	India	100.00%	100.00%
Fineotex Specialities Private Limited	India	100.00%	100.00%
BT Biotex Limited	UAE	100.00%	100.00%

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are 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 Subsidiaries 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 Subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Changes in Ownership Interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified in the Statement of Profit and Loss.

2.2 FOREIGN CURRENCY TRANSACTIONS

a) Functional and Presentation Currency

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency.

For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

b) Initial Recognition

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency at the exchange rate prevailing on the dates of the transactions.

Exchange difference arising on foreign exchange transaction settled during the year are recognized in the Statement of profit and loss of the year.

c) Measurement of foreign currency items at the Balance sheet date

At the end of each reporting period, monetary items (including financial assets and liabilities) denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Gains or losses arising from these translations are recognised in the Consolidated Statement of Profit and Loss.

d) For Consolidation

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the end of Reporting Date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions.

For practical reasons, the Group uses an average rate to translate items of income and expense.

The exchange differences arising on translation for consolidation are recognised in Foreign Currency Translation Reserve.

Any goodwill arising in the acquisition/business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of Reporting Date.

2.3 ACCOUNTING FOR TAXES ON INCOME

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in Deferred Tax Assets and Liabilities attributable to temporary differences and to unused tax losses.

2.4 OTHER SIGNIFICANT ACCOUNTING POLICIES

Other significant accounting policies followed by the Group are similar to the significant accounting policies of the parent, Fineotex Chemical Limited.; and hence have not been reproduced here.

Refer note 2 of standalone financial statements of Fineotex Chemical Limited For the year ended 31 March 2023 for details with regards to other significant accounting policies.

2.5 RECENT PRONOUNCEMENT

Indian Accounting Standards:

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

On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below

Ind AS 1 - Presentation of Financial Statements– This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of accounting estimates and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

Ind AS 12 – Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

The Company is evaluating the impact of the amendments on the financial statement.

NOTE 3: PROPERTY, PLANT & EQUIPMENTS AND INVESTMENT PROPERTY

(Rs. In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT (AT COST)				ACCUMULATED DEPRECIATION / AMORTIZATION				NET CARRYING AMOUNT	
	As At April 01, 2022	Additions / Transfers	Exchange Differences	Deductions	As At March 31, 2023	As At April 01, 2022	For The Year	On Deductions	As At March 31, 2023	As At March 31, 2023
(A) Property Plant & Equipments										
Land - Freehold	442.20	-	-	-	442.20	-	-	-	-	442.20
Land - Leashold (Right of Use Assets)	2,054.38	-	-	-	2,054.38	-	-	-	-	2,054.38
Factory Buildings	1,523.02	241.78	-	-	1,764.80	109.89	61.56	-	171.45	1,593.35
Office Premises (a)	541.13	-	-	-	541.13	117.28	28.44	-	145.72	395.41
Plant & Machinery	2,781.71	1,364.37	2.33	-	4,148.41	254.18	209.05	-	463.23	3,685.18
Furniture & Fixture	261.76	115.17	0.08	-	377.01	42.49	40.49	-	82.98	294.03
Vehicles (b)	333.32	137.29	1.29	-	471.90	131.52	45.90	-	177.42	294.48
Computers	79.26	16.60	0.08	1.84	94.10	38.47	21.47	1.84	58.10	36.00
Capex on Leasehold Premises	40.97	-	0.60	-	41.57	17.94	2.76	-	20.70	20.87
Office Equipment	76.83	32.01	0.13	1.88	107.09	26.35	18.32	1.88	42.79	64.30
Total - Tangible Assets	8,134.58	1,907.22	4.51	3.72	10,042.59	738.12	427.99	3.72	1,162.39	8,880.20
(B) Capital Work in Progress (c)	-	437.79	-	401.54	36.25	-	-	-	-	36.25
C) INVESTMENT PROPERTY (a,d,e,f & g)	393.57	-	-	-	393.57	-	-	-	-	393.57
TOTAL(A)+(B)+(C)	8,528.15	2,345.01	4.51	405.26	10,472.41	738.12	427.99	3.72	1,162.39	9,310.02

- a. - Office Premises includes fully paid unquoted shares in respect of ownership of Office Premises in 2 Co-operative Society (31 March 2022: 2 Co-operative Society); 15 shares (31 March 2022: 15 shares) of Rs.50/- each.
- Investment Property includes fully paid unquoted shares in respect of ownership of Office Premises in 1 Co-operative Housing Society (31 March 2022: 1 Co-operative Housing Society); 10 shares (31 March 2022: 10 shares) of Rs.50/- each.
- b. Motor Vehicles of Original Cost Rs. 134.73 Lakhs as at 31st March 2023 (Previous Year as at 31st March 2022 Rs. 108.48 lakhs) are in the name of the directors of the company.
- c. The amount of Contractual Commitments for the acquisition/construction of Property, Plant & Equipments is disclosed in Note No.34.
- d. The fair market value of investment property as determined in accordance with Level III input provided by Management is approximately Rs.225.24 Lakhs(Previous Year Rs.225.24 Lakhs).
- The company is following Cost Model for accounting of Investment Properties. The fair market value of Investment property (as measured for disclosure purpose in the financial statement) is in compliance with IND AS 40 - Investment property and is not based on valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- e. The Company has no restrictions on the realisability of its investment property. There are no contractual obligations to purchase, construct or develop investment property as at the year end.
- f. Investment property is leased out to tenant under operating leases. Disclosure on future rent receivable is included in note 40.
- g. **Amount recognised in Profit & Loss for Investment Properties:**

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Rental income	9.19	6.75
Direct operating expenses from property that generated rental income	(0.98)	(0.24)
Direct operating expenses from property that did not generate rental income	-	-
Impact of IND AS on Lease Rentals	0.28	0.47
Profit from investment properties before depreciation	8.49	6.98
Depreciation	-	-
Profit from investment property	8.49	6.98

NOTE 3: PROPERTY, PLANT & EQUIPMENTS AND INVESTMENT PROPERTY

(Rs. In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT (AT COST)				ACCUMULATED DEPRECIATION / AMORTIZATION				NET CARRYING AMOUNT	
	As At April 01, 2021	Additions / Transfers	Exchange Differences	Deductions	As At March 31, 2022	As At April 01, 2021	For The Year	On Deductions	As At March 31, 2022	As At March 31, 2022
(A) Property Plant & Equipments										
Land - Freehold	442.20	-	-	-	442.20	-	-	-	-	442.20
Land - Leasehold	2,054.38	-	-	-	2,054.38	-	-	-	-	2,054.38
Factory Buildings	1,100.88	422.14	-	-	1,523.02	58.96	50.93	-	109.89	1,413.13
Office Premises (a)	541.13	-	-	-	541.13	89.40	27.88	-	117.28	423.85
Plant & Machinery	799.17	1,980.36	2.18	-	2,781.71	169.46	84.72	-	254.18	2,527.53
Furniture & Fixture	93.88	167.80	0.08	-	261.76	27.94	14.55	-	42.49	219.27
Vehicles (b)	268.55	63.56	1.21	-	333.32	89.11	42.41	-	131.52	201.80
Computers	46.39	32.79	0.08	-	79.26	22.54	15.93	-	38.47	40.79
Capex on Leasehold Premises	40.41	-	0.56	-	40.97	15.10	2.84	-	17.94	23.03
Office Equipment	47.66	29.05	0.12	-	76.83	14.31	12.04	-	26.35	50.48
Total - Tangible Assets	5,434.65	2,695.70	4.23	-	8,134.58	486.82	251.30	-	738.12	7,396.46
(B) Capital Work in Progress (c)	459.50	303.91	-	763.41	-	-	-	-	-	-
C) INVESTMENT PROPERTY (a,d,e,f & g)	378.57	15.00	-	-	393.57	-	-	-	-	393.57
Total (A)+(B)+(C)	6,272.72	3,014.61	4.23	763.41	8,528.15	486.82	251.30	-	738.12	7,790.03

- a. - Office Premises includes fully paid unquoted shares in respect of ownership of Office Premises in 2 Co-operative Society (31 March 2021: 2 Co-operative Society); 15 shares (31 March 2021: 15 shares) of Rs.50/- each.
- Investment Property includes fully paid unquoted shares in respect of ownership of Office Premises in 1 Co-operative Housing Society (31 March 2021: 1 Co-operative Housing Society); 10 shares (31 March 2021: 10 shares) of Rs.50/- each.
- b. Motor Vehicles of Original Cost Rs. 108.48 Lakhs as at 31st March 2022 (Previous Year as at 31st March 2021 Rs. 108.48 Lakhs) are in the name of the directors of the company.
- c. The amount of Contractual Commitments for the acquisition/construction of Property , Plant & Equipments is disclosed in Note No.34.
- d. The fair market value of investment property as determined in accordance with Level III input provided by Management is approximately Rs.225.24 Lakhs (Previous Year Rs.225.24 Lakhs).
- The company is following Cost Model for accounting of Investment Properties. The fair market value of Investment property (as measured for disclosure purpose in the financial statement) is in compliance with IND AS 40 - Investment property and is not based on valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- e. The Company has no restrictions on the realisability of its investment property. There are no contractual obligations to purchase, construct or develop investment property as at the year end.
- f. Investment property is leased out to tenant under operating leases. Disclosure on future rent receivable is included in note 40.
- g. Amount recognised in Profit & Loss for Investment Properties:**

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Rental income	6.75	8.63
Direct operating expenses from property that generated rental income	(0.24)	(0.69)
Direct operating expenses from property that did not generate rental income	-	-
Impact of IND AS on Lease Rentals	0.47	0.12
Profit from investment properties before depreciation	6.98	8.06
Depreciation	-	-
Profit from investment property	6.98	8.06

NOTE 4 : FINANCIAL ASSETS - INVESTMENTS (NON - CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Units	Amount	No. of Units	Amount
A. Other Investments				
Carried at fair value through profit or loss				
In Equity Instruments (Quoted and fully paid up)	-	-	9,948.00	116.03
In Mutual Funds (Quoted and fully paid up)	2,06,58,491.151	8,933.12	55,87,068.926	1,614.86
(Also Refer Note (a) & (b))				
TOTAL (A)		8,933.12		1,730.89
Aggregate Amount of Quoted Investment - At Cost		8,573.21		1,590.66
Aggregate Amount of Quoted Investment - At market value		8,933.12		1,730.89
Aggregate amount of Unquoted Investments - At Cost		-		-
Aggregate amount of impairment in value of Investments		-		-

- a. Other Investments carried at fair value through profit or loss includes , Investment under lien against working capital loan facility availed by the company (Also Refer Note No 21)

(Rs. In Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	No. of Units	At Cost	At MV	No. of Units	At Cost	At MV
Investment in Mutual Fund (Quoted & Fully Paid Up)	30,00,504.183	717.75	855.01	45,56,688.990	1,038.28	1,190.35

NOTE 5: FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits (Refer Note i. Below)	102.49	65.68
Fixed Deposits maturing after 12 months (Refer Note ii. Below)	135.08	15.33
TOTAL	237.57	81.01

Note :

- i. Security deposits (for Leasing of Premises) includes dues from Directors and its relatives as under: (Also Refer Note No 41).

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Dues from Directors	17.73	18.42
Dues from relative of Directors	18.03	16.83

- ii. Receipts Pledged/Lien with Bank towards Bank Guarantee (Also refer Note No 34).

FINEOTEX CHEMICAL LIMITED

NOTE 6: INCOME TAX

A. COMPONENTS OF INCOME TAX EXPENSE

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Tax expense recognised in statement of profit & loss		
Current Tax		
Current year	2,418.68	1,593.03
Sub-Total	2,418.68	1,593.03
Deferred tax charge/ (credit)		
Origination and reversal of temporary difference	99.43	46.80
Sub-Total	99.43	46.80
Total	2,518.11	1,639.83
II. Tax on other comprehensive income		
Items that will not be reclassified to Profit and Loss		
Remeasurement of the Defined Benefit Plans	0.09	(1.82)
Total	0.09	(1.82)

B. RECONCILIATION OF EFFECTIVE TAX RATES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(loss) before tax	11,479.88	7,328.79
Enacted Income Tax Rate in India	25.17%	25.17%
Income Tax expense calculated at enacted corporate tax rate	2,889.49	1,844.66
Effect of income that is exempt from tax	(5.21)	(6.47)
Effect of expenses that are not deductible in determining taxable profit	24.82	16.83
Effect of income which is taxed at special rates	3.93	31.62
Effect of Fair Value Gains / (Loss)	(75.52)	(197.74)
Effect of difference between India and foreign tax rates and non taxable subsidiaries	(165.80)	(19.49)
Others	(252.79)	(29.58)
Total	2,418.92	1,639.83
Effective tax rate for the year	21.07%	22.38%

C. MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

(Rs. In Lakhs)

Particular	Net deferred tax asset / (liabilities) as on April 01, 2022	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on March 31, 2023
Deferred tax assets/ (liabilities)				
Property, plant and equipment	(141.05)	(72.46)	-	(213.51)
Investments	(18.68)	(19.58)	-	(38.26)
Investment Property	30.57	1.78	-	32.35
Employee benefits	0.76	(2.09)	(0.09)	(1.42)
Other Current Assets	16.32	(7.59)	-	8.73
Deferred tax assets/ (liabilities)	(112.08)	(99.94)	(0.09)	(212.11)

MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

(Rs. In Lakhs)

Particular	Net deferred tax asset / (liabilities) as on April 01, 2021	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on March 31, 2022
Deferred tax assets/ (liabilities)				
Property, plant and equipment	(96.85)	(44.20)	-	(141.05)
Investments	(46.37)	27.69	-	(18.68)
Investment Property	24.22	6.35	-	30.57
Employee benefits	0.06	(1.13)	1.82	0.76
Other Current Assets	51.76	(35.44)	-	16.32
Deferred tax assets/ (liabilities)	(67.18)	(46.73)	1.82	(112.08)

D. DEFERRED TAX ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets		
Employee Benefits	(1.42)	0.77
Investment Property	32.35	30.57
Other Current Assets	8.73	16.32
Total	39.66	47.66
Deferred Tax Liabilities		
Property, Plant and Equipment	213.51	141.05
Investments	38.26	18.68
Total	251.77	159.73
NET DEFERRED TAX ASSETS / (LIABILITIES)	(212.11)	(112.07)

NOTE 7: NON CURRENT ASSETS - INCOME TAX

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance payment of Income Tax (Net of Provision)	331.66	120.62
Total	331.66	120.62

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NOTE 8: OTHER NON-CURRENT ASSETS (Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances (Refer Note No 34)	432.41	432.53
Advances Other than Capital Advances		
Advance tax (Net of Provision)	17.98	-
Total	450.39	432.53

NOTE 9: INVENTORIES (At Lower of Cost and Net Realisable Value)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(As taken , valued and certified by the management)		
Raw Materials	3,408.76	4,947.11
Finished Goods (including in Transit)	1,038.30	865.73
Others (Packing Material)	282.30	146.50
Total	4,729.36	5,959.34

NOTE 10: FINANCIAL ASSETS - INVESTMENTS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Unit	Amount	No. of Unit	Amount
Investment in Liquid Mutual Funds (At Fair value through Profit & Loss)	-	-	1.110	0.01
Investment in Liquid Mutual Funds (Quoted and fully paid up)				
Total		-		0.01
Aggregate Amount of Quoted Investment - At Cost		-		0.00
Aggregate amount of Quoted Investments - At market value		-		0.01

NOTE 11: FINANCIAL ASSETS - TRADE RECEIVABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Unsecured - Considered Good	10,140.06	11,088.76
Total	10,140.06	11,088.76

Notes :

- i. Trade receivable includes (Also Refer Note No 41):
 - Dues from Private Companies in which any Director is a director or member - Rs. NIL/- as at 31st March 2023(Previous Year Rs. NIL/-.)
- ii. Refer Note - 38 for information about Credit Risk and Market Risk of Trade Receivables.

Trade Receivable ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from date of transactions					
	As at March 31,2023					
	< 6 Months	6 months to 1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed						
Considered Good	8,133.64	672.46	731.55	336.73	265.68	10,140.06
Total	8,133.64	672.46	731.55	336.73	265.68	10,140.06

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	As at March 31, 2022					
	< 6 Months	6 months to 1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed						
Considered Good	9,722.91	609.96	361.28	227.49	167.12	11,088.76
Total	9,722.91	609.96	361.28	227.49	167.12	11,088.76

NOTE 12: FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks in Current Accounts	3,023.93	2,422.91
Cash on Hand	31.72	24.89
Fixed Deposits maturing within 3 months	700.99	635.72
Total	3,756.64	3,083.52

NOTE 13: FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid Dividend Account (Refer Note i. Below)	3.90	3.40
Fixed Deposits maturing between 3 to 12 months (Refer Note ii. Below)	2,196.42	718.63
Total	2,200.32	722.03

Note :

- i. The Current Account balance includes unpaid dividend of Rs. 3.90 Lakhs as at 31st March 2023 (Previous Year as at 31st March 2022 Rs. 3.40 Lakhs) which have been kept in separate earmarked accounts and no transactions except for stated purpose are done through such accounts.
- ii. **Fixed Deposits maturing between 3 to 12 months includes Receipts Pledged/Lien with Banks:**
 - Rs.28.40 Lakhs as at 31st March 2023 (Previous Year Rs.16.37 Lakhs-) - Towards Bank Guarantee ; (Also Refer Note no 34).
 - Rs.860.00 Lakhs as at 31st March 2023 (Previous Year Rs. 660.00 Lakhs) - towards Overdraft Facility availed. (Also Refer Note no 21).

NOTE 14: FINANCIAL ASSETS - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued (Also Refer Note No 13)	39.02	8.55
Advances	28.74	303.60
Other Deposits	3.55	1.86
Total	71.31	314.01

FINEOTEX CHEMICAL LIMITED

NOTE 15: OTHER CURRENT ASSETS

(Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances Other than capital advances		
Advance to Employees	2.24	2.40
Advances to Suppliers	223.61	430.13
Prepaid Expenses	147.31	104.19
Balances with Government Authorities	162.04	-
Advances to Related parties	65.50	145.36
Others		
Export Incentive Receivable	23.04	87.56
GST Receivable	-	500.00
Deposit	46.70	20.80
Other Loans and Advances	104.46	1.51
Total	774.90	1,291.95

NOTE 16: ASSETS CLASSIFIED AS HELD FOR SALE

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Investment (At Cost)		
Immovable Property (Also Refer Note No 24)	720.69	720.69
Total	720.69	720.69

Note :

- i. The Management intends to sell the immovable property acquired during the year ended 31st March 2018. An active program to locate the buyer and to complete the sale has already been initiated, the sale is expected to be completed in the next 12 months. Accordingly, the above assets have been classified as assets held for sale.

The Company pursuant to its intention, have received Advance for Sale of Property classified as held for Sale. However the process of the transfer of title of property is not yet completed.

- ii. Further the fair value of these asset is higher than its carrying value as on 31st March 2023 and hence no impairment loss has been recognised.

NOTE 17: EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
14,00,00,000 (Previous year as at 31st March 2022 14,00,00,000) Equity Shares of Rs. 2/- each	2,800.00	2,800.00
TOTAL AUTHORISED SHARE CAPITAL	2,800.00	2,800.00
Issued, Subscribed & Paid Up		
11,07,48,420 (Previous year as at 31st March 2022 11,07,48,420) Equity Shares of Rs. 2/- each fully paid up	2,214.97	2,214.97
TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2,214.97	2,214.97

a) Reconciliation of the number of shares outstanding :

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	11,07,48,420	2,214.97	11,07,48,420	2,214.97
Add: Issued during the year	-	-	-	-
Shares at the end of the year	11,07,48,420	2,214.97	11,07,48,420	2,214.97

b) Rights, Preferences and restrictions attached to shares

The company has one class of equity shares having a face value Rs. 2/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders will be entitled to receive any of the remaining asset of the company in proportion to the number of equity shares held by the shareholders, after distribution of all the preferential amounts. However no such preferential amount exist currently.

c) Shareholders holding more than 5% shares each :

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Mr. Surender Tibrewala (Refer Note No i. Below)	6,12,31,286	55.29%	6,12,01,330	55.26%
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	40,41,828	3.65%	68,08,595	6.15%

Note:

i. Shareholders holding more than 5% shares each includes shares held by Karta of HUF as under:

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Mr. Surrender Tibrewala - as a Karta of HUF	3,45,500	0.31%	3,45,500	0.31%

d) Other details of Equity Shares for a period of five years immediately preceding March 31, 2023

- Pursuant to approval of the Board of Directors of Company vide resolution dated 27th July,2020 the Company has bought back 5,51,580 equity shares of Rs.2/- each from the open market at an average price of Rs. 33.04 . The Company has paid a total amount of Rs. 182.25 Lakhs for the said buyback of shares.
- Pursuant to approval of the Board of Directors of Company vide resolution dated 14th November, 2016 the Company has bought back 9,98,110 equity shares of Rs.2/- each from the open market at an average price of Rs. 29.69 . The Company has paid a total amount of Rs. 292.65 Lakhs for the said buyback of shares.
- Pursuant to shareholders approval dated 28th May,2015, the Equity Shares of Rs.10/- each of the Company were sub-divided into 5 Equity Shares of Rs.2/- per share w.e.f. 12th June,2015.

e) Shares held by promoters at the end of the year

Promoter Name	As at March 31, 2023		As at March 31, 2022		2022-23	2021-22
	No. of shares	% of Total shares	No. of shares	% of Total shares	% Change Inc / (Dec)	
Surendra Tibrewala Huf	3,45,500	0.31%	3,45,500	0.31%	-	-
Surendrakumar Deviprasad Tibrewala	6,08,85,786	54.98%	6,08,55,830	54.95%	-	-
Mitesh Vinod Jhunjhunwala	1,001	0.00%	1,001	0.00%	-	(82.59%)
Kanaklata Tibrewala	32,81,700	2.96%	32,81,700	2.96%	-	-
Aarti Mitesh Jhunjhunwala	81,050	0.07%	25,050	0.02%	223.55%	50000%
Sanjay Tibrewala	34,34,990	3.10%	32,83,990	2.97%	4.60%	2.18%
Ritu Aditya Gupta	11,000	0.01%	11,000	0.01%	-	-
Nidhi Sanjay Tibrewala	1,000	0.00%	1,000	0.00%	-	-
Kamal Chemicals Pvt. Ltd.	29,54,500	2.67%	29,54,500	2.67%	-	-
Proton Biochem Pvt Ltd	10,28,500	0.93%	10,28,500	0.93%	-	-

NOTE 18: Other Equity

(Rs. In Lakhs)

Particulars	Reserves & Surplus				Other Reserves		Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings	Equity Settled Share Based Payment Reserve	Foreign Currency Translation	
Balance as at March 31, 2021(A)	10.85	30.99	806.20	17,886.42	-	(15.62)	18,718.84
<u>Additions during the year:</u>							
Profit for the period	-	-	-	5,517.44	-	-	5,517.44
Addition for equity share options granted (Refer Note No 39)	-	-	-	-	4.29	-	4.29
Currency Translation Reserve	-	-	-	-	-	96.62	96.62
Items of OCI for the year, net of tax:							
Remeasurement of the defined benefit plans	-	-	-	(5.42)	-	-	(5.42)
Total Comprehensive Income for the year 2021-2022 (B)	-	-	-	5,512.02	4.29	96.62	5,612.93
<u>Reductions during the year:</u>							
Transactions with Owners in their capacity as Owners:							
Dividend for the year ended 31st March 2021	-	-	-	(332.25)	-	-	(332.25)
Total (C)	-	-	-	(332.25)	-	-	(332.25)
Balance as at March 31, 2022 (D)=(A+B+C)	10.85	30.99	806.20	23,066.19	4.29	81.00	23,999.53
<u>Additions during the year:</u>							
Profit for the period	-	-	-	8,831.58	-	-	8,831.58
Addition for equity share options granted (Refer Note No 41)	-	-	-	-	23.71	-	23.71
Currency Translation Reserve	-	-	-	-	-	239.36	239.36
Items of OCI for the year, net of tax:							
Remeasurement of the defined benefit plans	-	-	-	0.26	-	-	0.26
Total Comprehensive Income for the year 2022-2023 (E)	-	-	-	8,831.84	23.71	239.36	9,094.91
Transactions with Owners in their capacity as Owners:							
Dividend for the year ended 31st March 2022	-	-	-	(442.99)	-	-	(442.99)
Total (F)	-	-	-	(442.99)	-	-	(442.99)
Balance as at March 31, 2023 (D+E+F)	10.85	30.99	806.20	31,455.04	28.00	320.36	32,651.44

a. Description of Nature and Purpose of the Reserves

Capital Reserve

Capital Reserve was created on acquisition of Proprietorship concern "Fineotex Chemical Industries" in FY 2007-08 in Slump Sale.

Capital Redemption Reserve

The Company had purchased its own shares and as per the provisions of the applicable laws, a sum equal to the nominal value of the shares so purchased is required to be transferred to the capital redemption reserve.

Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the provisions of the Act.

Retained Earnings

Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

Equity-Settled share-based payment reserve

This reserve is created by debiting the statement of profit and loss account with the value of share options granted to the employees by the Company. Once shares are issued by the Company, the amount in this reserve will be transferred to Share capital, Securities premium or retained earnings.

Items of Other Comprehensive Income

Remeasurements of Net Defined Benefit Plans:

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

b. Dividends Paid during the year

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Corporate Dividend Paid During the year to Equity Share Holders		
Final Dividend Paid for FY 2021-2022	442.99	332.25
Dividend Per Fully Paid Up Share	0.40	0.30

NOTE 19: FINANCIAL LIABILITIES - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit Received from Customers	103.70	74.09
Other Deposit	-	2.52
Total	103.70	76.61

NOTE 20: PROVISIONS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Gratuity Payable	2.83	13.60
Total	2.83	13.60

NOTE 21: FINANCIAL LIABILITIES - SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
SECURED :		
Loans repayable on demand		
From Banks (Refer note below)	728.02	187.53
Current Maturities of Long Term Borrowings	-	3.31
Total	728.02	190.84

Note:

The above bank credit facility is secured against Fixed Deposits and pledged/lien on securities held by the Company (Also Refer Note No 4 & 13). Current borrowing from Bank are secured by hypothecation of current assets of the Company both present and future. Further working capital loan from bank is also secured by subservient charge on moveable Property of the company

NOTE 22: FINANCIAL LIABILITIES - TRADE PAYABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Undisputed		
MSME (Refer Note Below)	-	-
Others	4,735.83	5,877.34
Total	4,735.83	5,877.34

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Trade payable aging schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from date of transactions				
	As at March 31, 2023				
	< 1 Year	1-2 years	2-3 years	> 3 Years	Total
Undisputed					
i) MSME	-	-	-	-	-
ii) Others	4,727.70	7.45	0.14	0.54	4,735.83
Total	4,727.70	7.45	0.14	0.54	4,735.83

(Rs. In Lakhs)

Particulars	Outstanding for following periods from date of transactions				
	As at March 31, 2022				
	< 1 Year	1-2 years	2-3 years	> 3 Years	Total
Undisputed					
i) MSME	-	-	-	-	-
ii) Others	5,770.43	74.99	31.92	-	5,877.34
Total	5,770.43	74.99	31.92	-	5,877.34

NOTE 23: FINANCIAL LIABILITIES - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest on Trade Deposit	11.64	9.18
Interest accrued but not due	-	-
Unclaimed / Unpaid Dividend	3.90	3.40
Other Payables	-	2.25
Total	15.54	14.83

Note:

There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March 2023.

NOTE 24: OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from Customer	34.18	60.24
Advance received for Asset held for Sale (Also Refer Note No 16)	107.00	107.00
Payable to Employees (Also Refer Note No 39)	93.81	95.88
Statutory Payments	143.46	60.59
Other Payables	322.47	144.03
Accrual	168.02	231.46
Total	868.94	699.20

NOTE 25: PROVISIONS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits		
Provision for Leave Encashment	9.09	7.07
Provision for Bonus	26.76	18.02
Total	35.85	25.09

NOTE 26 A: REVENUE FROM OPERATIONS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of Products	51,573.39	36,672.53
Other Operating Income:		
Technical Fees	27.15	18.60
Export Incentives & Entitlements	99.03	132.16
Total	51,699.57	36,823.29

NOTE 26 - B: REVENUE FROM CONTRACTS WITH CUSTOMERS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	39,616.04	21,508.86
Exports	11,957.35	15,163.66
Total	51,573.39	36,672.52

Note:

- The amounts of receivable from customers become due after expiry of credit period.
There is no significant financing component in any transaction with the customers
- The company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.

NOTE 27: OTHER INCOME

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Income from Financial Asset Carried at Amortised Cost	104.67	94.21
Dividend Income		
Received from Quoted Investments measured at FVTPL	0.64	3.21
Rent Income	7.29	16.89
Cash rebate on credit card	0.05	-
Consultancy charges	12.89	-
Other Non - Operating Income		
Foreign Exchange Fluctuation	213.22	101.90
Net gains / (losses) on fair value changes	338.95	309.59
Short Term Capital Gain	-	0.07
Miscellaneous Income	52.74	25.68
Total	730.45	551.55

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NOTE 28: COST OF MATERIALS CONSUMED

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Raw Material Consumed	32,737.86	20,451.12
Packing Material Consumed	1,324.68	1,267.20
Total	34,062.54	21,718.32

NOTE 29: PURCHASE OF STOCK IN TRADE

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of Stock in Trade	128.46	1,901.62
Total	128.46	1,901.62

NOTE 30: CHANGES IN INVENTORIES OF FINISHED GOODS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Stocks :		
Finished Goods (including goods in transit)	887.36	844.92
Stock In Trade	498.19	404.71
Less : Closing Stocks :		
Finished Goods	1,149.55	865.09
Stock In Trade	504.45	491.60
NET CHANGE IN INVENTORIES	(268.45)	(107.06)

NOTE 31: EMPLOYEE BENEFIT EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages and Bonus	1,670.31	1,235.05
Contribution to Provident and Other Funds	58.11	48.70
Gratuity (Refer Note No 39)	11.72	8.60
Staff Welfare Expenses	54.62	41.02
Employee Stock Option Plan (Refer Note No 39)	23.71	4.29
Levy fees	1.14	1.21
Allowances	18.38	18.63
Total	1,837.99	1,357.50

NOTE 32: FINANCE COST

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expenses on Financial Liabilities carried at amortised Cost		
On Borrowing	19.91	27.68
Others (Including Interest on delay / deferred payment)	0.89	0.16
Bank and Other Financial Charges	61.25	64.48
Total	82.05	92.32

NOTE 33: OTHER EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of Stores and Spares	18.68	29.36
Toll Conversion Charges	332.31	379.63
Power, Fuel and Utilities	157.59	107.72
Lease Rent / Hire Charges	282.17	212.97
Outward Freight Charges	820.99	1,340.86
Technical Fees	242.10	439.61
Repairs & Maintenance on :		
Building	142.97	40.19
Plant and Machinery	48.22	76.63
Other Repairs	63.92	70.81
Insurance	93.25	71.08
Rates and Taxes	11.60	13.87
Payment to Auditors:		
Audit Fees	15.92	13.03
Transfer Pricing Audit Fees	1.58	0.25
Taxation and Other Advisory Matters	-	1.25
Certification Charges and Others	2.27	2.27
Other Services	9.33	1.95
Reserch & Development Expenses	60.47	44.42
Printing & Stationery	24.36	28.94
Security Charges	55.42	32.22
Professional Fees	287.15	471.29
Travelling and Conveyance	281.44	137.14
Commission	1,035.51	811.90
Advertisement, Publicity & Sales Promotion	27.69	38.29
Foreign Exchange Fluctuation (Net)	32.00	52.22
Expenditure towards Corporate Social Responsibility	113.36	50.00
Donations	1.99	6.12
Miscellaneous Expenses	517.27	358.02
Total	4,679.56	4,832.04

NOTE 34: CONTINGENT LIABILITIES AND COMMITMENTS

1. Bank Guarantee (Refer Note no 5 & 13)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding Bank Guarantees issued by Bankers	113.65	10.90
Total	113.65	10.90

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2. Commitments (Refer Note No 8)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated Amount of Capital Commitments remaining to be executed and not provided for	1,175.12	1,142.62
Less: Advances Paid	432.41	432.53
Net Capital Commitments	742.71	710.09

NOTE 35: EARNINGS PER SHARE

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to the owners of the company	8,831.58	5,517.44
Weighted Average Number of Equity Shares Face Value of Rs. 2/- each	11,07,48,420	11,07,48,420
Earnings Per Share - Basic & Diluted	7.97	4.97

NOTE 36: CAPITAL MANAGEMENT

The Group's objective for Capital Management is to maximize shareholder value and support the growth of the Group and to optimise capital structure to reduce the cost of capital. The Group determines the capital requirement based on long term and strategic investment and capital expenditure plans. The funding requirements are met through a mix of equity and operating cash flows generated. The relevant quantitative information on the aforesaid parameters are disclosed in these financial statements.

The Group monitors capital on the basis of the following gearing ratio :

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total interest bearing financial liabilities	831.72	267.45
Less : Cash and Cash Equivalents	3,756.64	3,083.52
Adjusted Net Debt	(2,924.92)	(2,816.07)
Total Equity	34,866.41	26,214.50
Adjusted Equity		
Net Debts to Equity Ratio - Times	(0.08)	(0.11)

NOTE 37: FINANCIAL INSTRUMENTS - CLASSIFICATION AND FAIR VALUE MEASUREMENT

(a) Financial Assets and Liabilities

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Fair Value through Profit & Loss		
Investments Other than Investment in Bonds	8,933.12	1,730.90
Amortised Cost		
Trade Receivables	10,140.06	11,088.76
Cash & Cash Equivalents	3,756.64	3,083.52
Other Bank Balances	2,200.32	722.03
Other Financial Assets	308.88	395.02
Total	25,339.02	17,020.23

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Liabilities		
Amortised Cost		
Borrowings	728.02	190.84
Trade Payable	4,735.83	5,877.34
Other Financial Liabilities	119.23	91.44
Total	5,583.08	6,159.62

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair Value Hierarchy

The Fair Value Hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3 - Inputs are not based on observable market data (unobservable inputs).

The Financial Instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

For Assets and Liabilities which are measured at Fair Values as at the Balance Sheet date, the classification of fair value calculations by category is summarized below:

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Level 1		
Investments in quoted equity shares	-	116.03
Investments in quoted mutual fund units	8,933.12	1,614.87
Level 2		
Security Deposit Given	77.05	57.71
Total	9,010.17	1,788.61
Financial Liabilities		
Level 2		
Security Deposit Accepted	8.97	8.96
Total	8.97	8.96

Measurement of Fair Values :

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of investment in shares is the share price quoted on recognised stock exchange as on the reporting date of balance sheet
- The fair values of investment in mutual fund is the NAV as on the reporting date of balance sheet.
- The fair values of interest free security deposit given / accepted is estimated by discounting cash flows using rates currently available for instruments with similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value.

NOTE 38: FINANCIAL RISK MANAGEMENT

The company's activities expose it to variety of financial risks: market risk, credit risk, interest rate risk and liquidity risk. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

FINEOTEX CHEMICAL LIMITED

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade Receivables and other financial assets	Ageing analysis	Diversification of bank deposits, credit limit and letter of credit
Market risk - foreign currency risk	Recognised financial assets and liabilities not denominated in Rupees	Very limited Exposer	Company manages through natural Hedge
Market risk - Security prices risk	Investment in Shares and mutual funds	Sensitivity analysis	Portfolio diversification

The Group's risk management is carried out by policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas. There is no change in objectives, polices and process for managing the risk and methods used to measure the risk as compared to previous year.

(a) Market Risk:-

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs

(a) (i) Market Risk - Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates primarily to the Group's borrowings, both short term and long term obligations with fixed and floating interest rates. However the Group's exposure to floating rate borrowings are very limited to its size of operation.

The Group is also exposed to interest rate risk on its financial assets that include fixed deposits (which are part of cash and cash equivalents) since all these are generally for short durations, there is no significant interest rate risks pertaining to these deposits

Exposure to interest rate risk

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed-rate instruments		
Financial Liabilities - Borrowings	831.72	267.45
Total	831.72	267.45

Sensitivity analysis to interest rate risk

The Group doesn't account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

(a) (ii) Market Risk - Price Risk(Securities)

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price.

Exposure to Price Risk

Other price risk arises from financial assets such as investments in equity instruments and mutual funds disclosed below.

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in Quoted Equity Shares	-	116.03
Investments in Quoted Mutual Funds	8,933.12	1,614.87
Total	8,933.12	1,730.90

Sensitivity analysis to Market Risk - Price Risk (Securities)

The Group is mainly exposed to price risk arising mainly from investments in equity instruments and mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below. A sensitivity of 10% represents management's assessment of reasonably possible change in equity prices

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Equity Shares	-	-	11.60	(11.60)
Mutual Funds	893.31	(893.31)	161.49	(161.49)
Total	893.31	(893.31)	173.09	(173.09)

(a) (iii) Market Risk - Currency Risk

The Group is having import and exports as well. Accordingly the group is exposed to currency risk on account of its trade payables and trade receivables in foreign currency. The functional currency of the group is Indian Rupees. The group follows a natural hedge driven currency risk mitigation policy to the extent possible. The exposed Foreign currency is not substantial to the operation of group.

Exposure to Currency risk

The summary quantitative data about the Group's exposure to currency risk are reported to management of the company are as follows:

(In Lakhs)

Particulars	Foreign Currency	As at March 31, 2023	As at March 31, 2022
Financial Assets			
Trade and other receivables	USD	39.19	58.07
Cash & Cash Equivalents	USD	2.01	4.95
Cash & Cash Equivalents	EURO	0.12	0.12
Cash & Cash Equivalents	POUND	0.00	-
Cash & Cash Equivalents	YEN	1.50	-
Financial Liabilities			
Trade and other payables	USD	7.05	15.14
Trade and other payables	EURO	-	0.26

Sensitivity analysis to currency risk

(Rs. In Lakhs)

Foreign Currency	As at March 31, 2023		As at March 31, 2022	
	3% increase	3% Decrease	3% increase	3% Decrease
USD	84.13	(84.13)	109.01	(109.01)
EURO	0.31	(0.31)	(0.37)	0.37
POUND	0.00	(0.00)	-	-
YEN	0.03	(0.03)	-	-
Total	84.47	(84.47)	108.64	(108.64)

(b) Credit Risk

Credit Risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of Financial Assets represents the maximum credit exposure.

Trade Receivables

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, industry information, business intelligence and in some cases bank references.

Trade Receivables of the Group are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit Risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The Group has no concentration of Credit Risk as the customer base is geographically distributed in India.

Expected credit loss for trade receivable:

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Group uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount for trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof. Accordingly based on the provision matrix there is no expected credit loss to the Group and accordingly there is no provision for doubtful debts

Other Financial Assets

The Group maintains exposure in Cash and Cash equivalents and Bank deposits with banks, Equity Shares and Investments in Mutual Funds. The Group has diversified portfolio of investment with various number of counterparties which has goods credit ratings, goods reputation and hence the risk is reduced. Individual risk limits set for each counterparty based on financial position, credit rating and post experience. Credit limits and concentration of exposures are actively monitored by the Group

Expected credit loss on financial assets other than trade receivable:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from whom these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on such financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet

The Group's maximum exposure to credit risk as at 31st March, 2023 and 2022 is the carrying value of each class of financial assets.

(c) Liquidity Risk

Liquidity Risk is the risk that the Group will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements is retained as Cash and Cash Equivalents (to the extent required).

Exposure to Liquidity Risk

The responsibility of liquidity risk management rest with board of directors which are appropriate risk management framework for short , medium and long term liquidity measures with adequate cash flows and banking facilities.

The following table shows the maturity analysis of the Group's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date

(Rs. In Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Working Capital Loans from Banks	728.02	-	187.53	-
Trade Payables	4,727.70	8.13	5,770.43	106.91
Other Financial Liabilities	15.54	103.70	14.83	76.61
Total	5,471.26	111.83	5,972.79	183.52

(d) Collateral

The Company has pledged its Non-Current as well as Current Assets to a consortium of lenders as collateral towards borrowings by the Company. Refer Note No. 21 for the detailed terms and conditions of the collaterals pledged.

NOTE 39: EMPLOYEE BENEFITS

(a) Retirement Benefits

As per Ind AS 19 the Company has recognized "Employees Benefits" ,in the financial statements in respect of Employee Benefits Schemes as per Actuarial Valuation as on 31st March 2023.

(A) Defined benefit plans

i Retiring Gratuity

I Components of Employer Expenses

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Current Service Cost	11.53	8.49
Past Service Cost vested	-	-
Interest Cost	3.48	2.20
Expected Return on Plan Assets	(3.29)	(2.08)
Actuarial (Gain) / Loss	(0.87)	7.24
Total Expenses/(Gain) recognized in the Profit & Loss Account	10.85	15.85

II Net Asset/ (Liability) recognized in Balance Sheet

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Present value of Funded Obligation	61.75	50.29
Fair Value of Plan Assets	58.92	36.69
Assets/(Liability) recognized in the Balance Sheet	2.83	13.60

III Change in Defined Benefit Obligations (DBO)

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Opening Balance of Present Value of Obligation	50.29	37.41
Interest Cost	3.48	2.20
Current Service Cost	11.53	8.49
Past Service Cost - Vested Benefits	-	-
Actuarial (Gain)/Loss	(1.09)	7.44
Benefit Paid	(2.48)	(5.25)
Closing Balance of Present Value of Obligation	61.73	50.29

IV Changes in the Fair Value of Plan Assets

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Opening Balance of Present Value of Obligation	36.69	31.53
Expected Return on Plan Assets	(0.22)	0.20
Interest Income	3.29	2.08
Contribution by Employer	21.44	8.13
Benefit Paid	(2.48)	(5.25)
Fair Value of Plan Assets as at 31st March	58.72	36.69

V Actuarial Assumption

Particulars	March 31, 2023	March 31, 2022
Discount Rate (Per Annum)	7.10%	7.10%
Annual Increase in Salary Costs Per Annum	4.00%	4.00%
Attrition Rate	5.00%	5.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

FINEOTEX CHEMICAL LIMITED

VI Major Categories of plan assets as a percentage of total plan assets

Particulars	March 31, 2023	March 31, 2022
Government of India Securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Insurance Company	100.00%	100.00%

VII Movement in net liability recognized in Balance Sheet

(Rs. In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Net Opening Liability	16.48	5.89
P & L Charges	11.72	8.60
Contribution paid	(2.48)	(5.25)
Other Comprehensive Income (OCI)	(0.87)	7.24
Closing Net Liability	24.85	16.48

VIII Gratuity - Sensitivity Analysis

(Rs. In Lakhs)

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Salary Growth Rate (1% movement)	67.05	57.13	55.99	54.87
Discount Rate (1% movement)	56.14	68.41	45.53	46.32

(B) Defined Contribution Plans

Amount recognised as expenses on account of “Contribution / Provision to and for Provident and other Funds” of Statement of Profit and Loss - Rs.58.11 Lakhs (Previous year Rs.48.70 Lakhs).

(b) Employee stock option scheme

The Company has implemented “FCL-Employees Stock Option Plan 2020” (FCL-ESOP 2020) as approved by the shareholders on 30th October 2021. The plan covers eligible employees of the Company. The nomination and remuneration committee of the Board of Fineotex Chemical Limited administers these FCL-ESOP 2020 plans and grants stock options to eligible employees. Details of the options granted during the year under the Scheme are as given below:

Plan Description

Grant date	January 17, 2022
No of options granted	70,673
Exercise price per option	Rs.125.00
Vesting period	2.5 years
Exercise Period	0.5 years from Vesting
Stock option activity under the scheme(s) for the year ended 31st March is set out below:	
Particulars	
Outstanding of the beginning of the year	70,673
Granted during the year	-
Forfeited/cancelled during the year	29,162
Lapsed during the year	-
Exercised during the year	-
Outstanding at the end of the year	41,511

Particulars	
Exercisable at the end of the year	-
Weighted average remaining contractual life	3 Years
Weighted average Exercise price in	Rs 125.00
Range of exercise price in	Rs 125.00 to Rs.125.00
The weighted average share price for options exercised during year in Rs.	NA

Plan Description

Particulars	
Grant date	November 4 ,2022
No of options granted	8,000
Exercise price per option	Rs.2.00
Vesting period	1.75 years
Exercise Period	0.5 years from Vesting
Stock option activity under the scheme(s) for the year ended 31st March is set out below:	
Particulars	
Outstanding of the beginning of the year	-
Granted during the year	8,000
Forfeited/cancelled during the year	-
Lapsed during the year	-
Exercised during the year	-
Outstanding at the end of the year	8000
Exercisable at the end of the year	-
Weighted average remaining contractual life	2.25 Years
Weighted average Exercise price in	Rs 2.00
Range of exercise price in	Rs 2.00 to Rs.2.00
The weighted average share price for options exercised during year in Rs.	NA

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of Rs. 2 each.

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

Particulars	
Expected dividend yield (p.a.)	0.20%
Expected volatility (p.a.)	60.00%
Risk-free interest rate (p.a.)	5.12%
Share Price at grant date (Rs.)	152.30
Exercise price (Rs.)	125.00
Expected life of options granted in years (no. of years)	3
Weighted average fair value per option (Rs.)	75.80

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

Particulars	
Expected dividend yield (p.a.)	0.12%
Expected volatility (p.a.)	60.00%
Risk-free interest rate (p.a.)	6.79%
Share Price at grant date (Rs.)	339.60
Exercise price (Rs.)	2.00
Expected life of options granted in years (no. of years)	2.25
Weighted average fair value per option (Rs.)	75.80

FINEOTEX CHEMICAL LIMITED

NOTE 40: LEASES

The Company has entered into Operating Leases on Immovable Properties.

Assets Taken on Lease

Future minimum rentals payable under cancellable operating leases as at are, as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	In respect of operating lease on Immovable properties payments recognized in Statement of Profit and Loss.	282.17	212.97
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	106.33	66.91
	For the period later than one year and not later than five years	129.24	68.84

Assets Given on Lease

Future minimum rentals receivable under cancellable operating leases as at are, as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	In respect of Immovable properties given under operating lease, lease rent received and recognized in Statement of Profit and Loss.	9.00	6.75
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	9.00	9.19
	For the period later than one year and not later than five years	-	-

NOTE 41: RELATED PARTY

Consolidated Related Party Transactions are the same as Related Party Transactions of Standalone Fineotex Chemical Limited, except as disclosed hereinbelow:

List of related parties and Relationship

A Key Managerial Personnel :

Executive Directors :

- 1 Sonai Kedha Sankar
- 2 Raman Perumal

B Transaction with Related Parties

i. Transaction during the year

(Rs. In Lakhs)

Particulars	Key Management Personnel		Entities in which Key Management Personnel or its relatives are interested / Relative of Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
REMUNERATION TO DIRECTORS						
Sonai Kedha Sankar	0.31	29.03	-	-	0.31	29.03
Total	0.31	29.03	-	-	0.31	29.03

ii Outstanding balances as on reporting date

(Rs. In Lakhs)

Particulars	Key Management Personnel		Entities in which Key Management Personnel or its relatives are interested / Relative of Key Management Personnel		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
NIL						

Note:

Related parties are identified by the Company and relied upon by the Auditors.

NOTE 42: ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS UNDER DIVISION II OF SCHEDULE III TO THE COMPANIES ACT, 2013.

(Rs. In Lakhs)

Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive Income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of total comprehensive income	Amount
Parent								
Fineotex Chemical Limited								
31-Mar-23	77.32%	26,958.65	58.90%	5,201.90	100.00%	0.26	58.90%	5,202.16
31-Mar-22	84.59%	22,175.78	79.71%	4,397.98	100.00%	(5.42)	79.69%	4,392.56
Subsidiaries								
Indian								
Manya Manufacturing India Private Limited								
31-Mar-23	0.11%	38.25	0.11%	9.56	0.00%	-	0.11%	9.56
31-Mar-22	0.11%	28.69	0.16%	8.55	0.00%	-	0.16%	8.55
Fineotex Specialities Private Limited								
31-Mar-23	13.16%	4,587.72	43.40%	3,833.12	0.00%	-	43.40%	3,833.12
31-Mar-22	2.88%	754.60	11.86%	654.60	0.00%	-	11.86%	654.60
Foreign								
Fineotex Biotex Healthguard FZE								
31-Mar-23	0.44%	152.39	(0.04%)	(3.42)	0.00%	-	(0.04%)	(3.42)
31-Mar-22	0.55%	144.08	(0.81%)	(44.64)	0.00%	-	(0.81%)	(44.64)

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Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive Income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit and Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of total comprehensive income	Amount
Fineotex Malaysia Limited								
31-Mar-23	10.27%	3,579.85	3.93%	347.24	0.00%	-	3.93%	347.24
31-Mar-22	13.04%	3,418.44	3.60%	198.85	0.00%	-	3.61%	198.85
BT Chemicals SDN BHD								
31-Mar-23	0.99%	346.71	3.16%	279.27	0.00%	-	3.16%	279.27
31-Mar-22	3.41%	895.07	8.51%	469.72	0.00%	-	8.52%	469.72
BT Biotex SDN BHD								
31-Mar-23	2.28%	793.51	0.43%	38.24	0.00%	-	0.43%	38.24
31-Mar-22	3.93%	1,030.39	2.12%	117.22	0.00%	-	2.13%	117.22
Rovatex SDN BHD								
31-Mar-23	0.51%	176.28	1.57%	138.38	0.00%	-	1.57%	138.38
31-Mar-22	0.35%	91.41	0.52%	28.77	0.00%	-	0.52%	28.77
BT Biotex Limited								
31-Mar-23	1.02%	355.61	(0.45%)	(40.09)	0.00%	-	(0.45%)	(40.09)
31-Mar-22	1.40%	366.49	4.61%	254.38	0.00%	-	4.61%	254.38
Non-Controlling interests in all subsidiaries								
31-Mar-23	(2.01%)	(700.66)	(1.40%)	(123.90)	0.00%	-	(1.40%)	(123.90)
31-Mar-22	(2.77%)	(725.16)	(3.11%)	(171.53)	0.00%	-	(3.11%)	(171.53)
Intercompany Elimination & Consolidation Adjustment								
31-Mar-23	(4.08%)	(1,421.91)	(9.61%)	(848.71)	0.00%	-	(9.61%)	(848.71)
31-Mar-22	(7.50%)	(1,965.29)	(7.19%)	(396.45)	0.00%	-	(7.19%)	(396.45)
Total								
31-Mar-23	100.00%	34,866.41	100.00%	8,831.58	100.00%	0.26	100.00%	8,831.84
31-Mar-22	100.00%	26,214.50	100.00%	5,517.44	100.00%	(5.42)	100.00%	5,512.02

43 SEGMENT REPORTING

As the company has only one primary business activity, Segment Reporting is not applicable as per Ind AS 108 - Operating Segments

44 Loans given, Investments made and Corporate Guarantees given u/s 186(4) of the Companies Act, 2013 are disclosed under the respective notes.

45 Balances of Trade Receivables, Trade Payables, Advances and Deposits received / given, from / to customers are subject to confirmation and subsequent reconciliation

46 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

Dividend Proposed to be distributed:

(Rs. In Lakhs)

Name	Year ended March 31, 2023	Year ended March 31, 2022
Corporate Dividend for Equity Shareholders Proposed for the year		
Final Dividend Proposed	885.99	442.99
Dividend Proposed Per Fully Paid Up Share	0.80	0.40

The Board of Directors at its meeting held on 20th May, 2023 have recommended a payment of final dividend of Rs.0.80

(Rupee Eighty paise only) per equity share of face value of Rs.2/- each for the financial year ended 31st March, 2023.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

- 47 Figures in brackets indicate previous year's figures. Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform with this year's classification.

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As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 20th May 2023

For and on behalf of the Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 20th May 2023



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