



August 17, 2024

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
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Subject: Submission of Annual Report for the Financial Year 2023-24 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 2023-24 of 21st Annual General Meeting (“**21st AGM**”) of the Company. The 21st AGM is scheduled to be held on **Tuesday, September 10, 2024, at 05.00 P.M. (IST)** through Video Conferencing (“**VC**”)/Other Audio-Visual Means (“**OAVM**”).

The Annual Report for the financial year 2023-24 including the Notice of the 21st 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 (W), Mumbai - 400050. India. Phone: +91 - 22 2655 9174

Fax: +91-22 2655 9178 E-mail: info@fineotex.com Web: www.fineotex.com CIN - L24100MH200PLC144295





FINEOTEX[®]

A Speciality Chemical Producing
Public Listed Company

Expanding together for a Sustainable Future

**21st ANNUAL REPORT
2023-2024**

www.fineotex.com



Board of Directors



SurendraKumar Tibrewala
Chairman and Managing Director



Sanjay Tibrewala
Executive Director



Aarti Jhunjhunwala
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

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Fax: +91-22-26559178 | **E-mail:** investor.relations@fineotex.com | **Website:** www.fineotex.com |
CIN: L24100MH2004PLC144295

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.
Ambarnath: 21/1, Chikhholi, M.I.D.C, K-B Road, Ambarnath-West
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• HDFC 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

- Sunny Parmar

We are now



Celebrating our
High-Trust High-Performance Culture™!

Chairman's Speech



Dear Shareholders,

I am delighted to look back on our journey throughout the past fiscal year. With a steadfast commitment to innovation, we have made significant strides towards continuous growth. It is with great pleasure that I introduce Fineotex's Annual Report for the fiscal year **2023-24**, outlining our performance, milestones, and future strategic roadmap.

Overview:

Fineotex is a leading chemical manufacturer with a zero liquid discharge system, eco-friendly products and recognition for promoting sustainable practices having a strong brand recall in Indian markets. I am excited to highlight another year of impressive achievements at Fineotex. Our commitment to excellence and strategic focus has resulted in recognitions and advancements. ICRA, a leading credit rating agency, has recently upgraded our credit ratings to A+ Stable (Long Term) and A1+ (Short Term), underscoring our strengthened financial position and credibility in the market. These upgraded ratings reflect the strength of our financial management and our ability to weather economic challenges while maintaining growth momentum.

We are equally proud to have been awarded the prestigious ESG badge by Dun & Bradstreet for our steadfast dedication to environmental, social, and governance principles. This accolade not only highlights our holistic approach to sustainable business practices but also reinforces our commitment to corporate citizenship. By integrating ESG considerations into our business strategy, we aim to create long-term value for our stakeholders and contribute positively to the communities in which we operate.

Additionally, Fineotex has achieved recognition as a '**Great Place to Work**' for the third consecutive year. This accolade underscores our supportive workplace culture, employee-centric policies, and strong engagement initiatives that foster innovation and professional growth. Our recent accreditation from the NABL and pharmaceutical FDA approval further demonstrates our unwavering commitment to upholding the highest standards of quality and regulatory compliance in our operations.

Performance:

Before delving into our financial performance, the standout metric that will energize all our shareholders is our achievement of a net zero debt status.

For the Financial Year 2023-2024, our operations revenue escalated to **INR 5,690 million**, showing an impressive increase. Our EBITDA surged to **INR 1,484 million**, marking an impressive 31.8% Y-o-Y growth with margins at 26.1%. We recorded our historic highest PAT till now, which is INR 1,210 million, up by 35.1% Y-o-Y basis, with PAT margins at 21.3%.

As we navigate the dynamic and ever-evolving business landscape, innovation, customer satisfaction, and operational excellence remain at the forefront of our strategic priorities. With our strong financial performance as a driving force, we are confident in our ability to continue delivering growth and sustainable value to our stakeholders.

Industry Overview:

During the year, we have made significant progress despite the challenging macroeconomic landscape. Our focus on developing high-performance Chemical's has been crucial in driving force and sustainability, reinforcing our position as one of the market leaders in the chemical industry.

Your Company continues to be at the forefront of India's specialty chemical sector, recognized both domestically and internationally in the textile market. The global easing of chemical prices has provided us with the opportunity to expand our EBITDA margin. Leveraging this favourable market condition and a higher volume of operations, we have achieved our best-ever EBITDA margin this year.

The Indian government has established four Petroleum, Chemicals, and Petrochemical Investment Regions (PCPIRs) and several Plastic Parks to facilitate technological development and create a conducive ecosystem for producing specialized plastic products. These initiatives aim to enhance the industry's competitiveness and attract further investment.

The Indian government has recognized the importance of the chemical industry and has implemented several initiatives to support its growth. In the Interim Union Budget 2024-25, the government allocated Rs. 192.21 crore (USD 23.13 million) to the Department of Chemicals and Petrochemicals. The government also supports the industry through research and development initiatives, reducing basic customs duty on several imported products, and promoting the 'Make in India' campaign.

Business Strategy:

Fineotex continues to advance its strategic initiatives aimed at sustained growth and market leadership. Our strategic initiatives have consistently enhanced productivity, marking successive years of achievement and progress. Building upon our core strengths in specialty chemicals for textiles and other sectors, we are focused on diversification to meet evolving market demands. Our strategy includes a strong pipeline of new product introductions, enhancing our portfolio's breadth and depth across multiple industries. This proactive approach ensures that we remain agile in adapting to dynamic market trends and customer needs.

Our journey over the last few years has been supercharged, exploring new avenues, developing new technologies and entering businesses and segments. In line with our growth strategy, we have diversified into promising sectors such as health, hygiene, and oil and gas. This strategic expansion aligns with market opportunities and emphasizes our commitment to addressing emerging customer needs with innovative, eco-friendly products. Fineotex forsees driving the Indian cleaning market which is scattered and highly unorganized, leading to a lack of strong players in this sector. Our recent foray into international textile hubs further strengthens our global presence, emphasizing sustainable practices and technological innovation in our textile chemicals offerings.

By continuously exploring untapped territories, investing strategically in production capabilities, and prioritizing sustainable growth initiatives, we are poised for sustained success in the evolving global marketplace.

Way Forward:

Our strategic initiatives, such as acquisitions and capacity expansions, are strengthening our manufacturing capabilities, supported by our integrated approach. Venturing into the B2C segment and expanding our product portfolio with high-value niche products are anticipated to drive profitability. These efforts are expected to broaden our customer reach and strengthen our global market presence.

Looking ahead, Fineotex will capitalize on its core strengths to explore new opportunities. By prioritizing research and development, forming strategic partnerships, and maintaining a customer-centric approach, we aim to drive sustainable growth and positive impact. Our goal is to lead the chemical industry with agility, innovation, and a steadfast focus on customer satisfaction.

Research and Development:

Fineotex recognizes that in a knowledge-extensive business like speciality chemicals, the prospective driver of the Company will be research. India's specialty chemicals sector is experiencing strong growth driven by strategic advantages and favorable market dynamics.

Despite global disruptions, the industry has demonstrated resilience, underscoring its pivotal role in global supply chains.

As a key participant in the specialty chemicals sector, with a strong emphasis on textile chemicals, Fineotex operates in an industry marked by significant technical barriers to entry and a high degree of innovation and product customization. Our subsidiary, Biotex Malaysia, plays a crucial role in driving research, development, and product innovation in this domain.

In addition to manufacturing specialty chemicals, Fineotex offers tailored technical solutions and services, supported by a strong focus on research and development. Strategic alliances with partners and institutions, including EuroDye, HealthGuard, and Sasmira, further enhance our market presence and product offerings.

Sustainability:

The global chemical industry is undergoing transformation driven by sustainability forces. At Fineotex, we believe that integrating sustainability into our core operations is essential for long-term success and the wellbeing of our planet. Integrating sustainability into our business operations is not only the right thing to do but also essential for long-term success. Our approach is multi-faceted, focusing on environmental stewardship, social responsibility, and economic efficiency.

We have been diligent in monitoring our energy consumption and have implemented several measures to optimize energy costs. Importantly, we have launched a solar panel initiative aimed at leveraging renewable energy sources. By transitioning to solar power, we are reducing our reliance on non-renewable energy and advancing towards our sustainability goals.

Our proactive approach to environmental compliance is exemplified by our operation of the Central Effluent Treatment Plant (CETP). Managing our own effluent treatment facility ensures that we adhere to stringent regulatory standards while effectively reducing our environmental impact. Our focus remains on developing specialty products that are sustainable, enhance operational efficiency, and reduce resource usage.

Before I conclude, I extend my warm welcome to Mr. Amit Pratap on the Board of the Company. On behalf of Fineotex, I would like to convey my gratitude to Mr. Alok Dhanuka who will soon retire from the Board of the Company after serving for a decade. I further thank you all the stakeholders for your continued support in our ongoing journey of transformation to deliver chemistry of sustainable growth.

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 Ambernath, 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 7.0

FDA For HPC

Public Listed Company

Exports To 70 Countries

Star Export House

Bluesign (Biotex, Malaysia)

Plants In India & Malaysia

Eco Passport

ZDHC Contributor

Great Place To Work

EURODYE - CTC
(Collaboration For India)

Ranked Amongst India's
Top 1000 Companies By NSE

Health Guard
(Global Marketing Channel Partner)



Our Evolution

2004

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



2007

- Conversion of FCPL into Fineotex Chemical Limited (FCL)



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 & Bradstreet 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



2023

- ICRA rating upgraded - Long Term Rating: A+ & Short Term Rating: A1+
- Great Place to Work certified
- Dun & Bradstreet ESG Badge
- Purchased Additional factory land premises of 7 acres at Additional Ambernath MIDC
- Successfully commissioned Solar Power Plant at Ambernath Facility
- Received accreditation by NABL



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**



Focusing on Environmental factors and make efforts to restore the environment

Environment Strategy in Place: Fineotex's comprehensive environmental strategy is designed to align with stakeholder expectations and proactively manage environmental practices. We not only adhere to statutory requirements but also prioritize creating a safer workplace for our employees and the community. We are committed to reducing our environmental footprint through innovative solutions and continuous improvement. Our approach includes regular monitoring, transparent reporting, and engaging with stakeholders to foster a sustainable future.

Product Free From Harmful Substances: At Fineotex, ensuring the safety and environmental responsibility of our products is paramount. We rigorously ensure that our products are free from hazardous substances. Our development processes prioritize the well-being of life and nature, considering the normal or reasonably foreseeable use of our products to maintain a high level of protection for consumers. This commitment underscores our dedication to sustainability and ethical practices across all operations.

Waste Water Safe Discharge: The Company prioritizes responsible water management and resource efficiency as integral to our operations. By strictly adhering to CETP guidelines, we ensure the safe discharge of wastewater through our advanced treatment facilities. We are committed to minimizing waste generation through efficient resource use practices. By actively reusing treated water within our operations, we significantly reduce our overall water consumption footprint.

In addition, we have implemented innovative initiatives aimed at further reducing our dependence on freshwater resources, demonstrating our ongoing commitment to environmental sustainability.

Water Savings Initiatives: As a responsible corporate entity, Fineotex is steadfast in our commitment to environmental protection and ecological balance, ensuring the preservation of soil, air, and water quality. We prioritize the development of sustainable, super specialty products designed to enhance operational processes, increase efficiency, and reduce costs by minimizing water and energy consumption. This strategic approach not only drives our company's growth but also empowers our customers to achieve superior performance.

Energy Consumption: In FY24, Fineotex consumed 448,510 units of electricity. We proactively monitor energy usage, implement cost-saving measures, and advocate energy conservation across our operations. Recognizing the imperative of transitioning to sustainable energy sources, we have installed solar panels at our factory units. This transformative initiative underscores our commitment to environmental sustainability, mitigating carbon emissions and promoting a greener future. The solar panels are expected to generate clean, renewable electricity, significantly reducing our greenhouse gas footprint. As our solar panel initiative commences commissioning, we anticipate not only environmental benefits but also economic advantages.



CSR

CORPORATE SOCIAL RESPONSIBILITY

Social



Employee Safety and Skill Development: At the Company, we prioritize the well-being and professional growth of our employees. All team members have undergone comprehensive safety and skill enhancement training to ensure their safety and facilitate their career advancement.

Social Strategy in Place: Fineotex is committed to fostering inclusive growth and equitable development, as encapsulated in our tagline, "Let us grow together." We continually strive for improvement across economic, environmental, and social performance domains.

Product/Service Safety and Quality Metrics: At Fineotex, quality is paramount in our Corporate Business Principles. We uphold rigorous testing and stringent controls to guarantee customization, superior performance, and utmost customer satisfaction.

During the year, we have made a contribution of Rs. 73.50 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 Agarwal Global Foundation, Lions Club of Millennium Charity Trust and Shree Shraddha Educational & Charitable Trust etc. These organizations/trusts has hold on the following activities such as:

1. Setting up schools, playgrounds, hospitals, public health centers, homes
2. Undertaking tree plantation drives
3. Protection of National Heritage
3. Providing education to children for the upliftment of the society.

Local Employment and Sourcing: The Company sources goods from local suppliers within the Mumbai Metropolitan Region. Our labor and other services are obtained exclusively from recognized and government-approved suppliers, ensuring reliability and compliance with regulatory standards.

Community Support Initiatives: Fineotex is dedicated to various community initiatives aimed at uplifting underprivileged individuals.

We provide education programs that empower them to achieve economic independence and contribute positively to society. Additionally, we offer financial assistance and essential supplies such as food, clothing, and medicine to support homes catering to destitute, elderly, and retired individuals in need. Furthermore, we actively support family planning centers, nursing homes, and operate eye banks, blood banks, and organ banks to enhance healthcare accessibility and support the community's well-being.

Accident-Free Year: The Company maintained a record of zero accidents reported during FY2024, underpinning our commitment to employee safety and well-being. Our manufacturing units are certified by NABL, ensuring the highest level of compliance with major environmental, health, and safety standards.

Product Development: : Fineotex is committed to advancing our technologies and investing in research and development to meet diverse consumer needs and deliver high-quality products. We cultivate a culture of excellence in R&D, enabling us to provide sustainable solutions to our customers while maintaining an optimal price-performance ratio. Our continuous pursuit of innovation-driven growth enhances the value of our brand. We are recognized for our steadfast commitment to quality and service, upholding a zero-tolerance policy for any compromise in these areas.

Low Attrition Rates: Fineotex maintains a low attrition rate of 5%, reflecting our commitment to engage and inspire our employees.

Training and Development: We view our employees as our most valuable asset and prioritize keeping them engaged and inspired. Our workforce comprises a well-balanced mix of employees across all levels. We recognize that the success of our business hinges on effective collaboration between technical experts, research and development teams, and our marketing professionals. To empower our employees to deliver productive and dedicated results, we conduct comprehensive training and orientation programs.



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: At Fineotex, conducting business in a fair and transparent manner is paramount. Our corporate governance framework facilitates effective engagement with stakeholders and ensures the company adapts to evolving circumstances. It oversees business strategies, ensuring fiscal accountability, ethical corporate behavior, and fairness to all stakeholders, including regulators, employees, customers, vendors, investors, and society at large.

Board Composition and Skill Matrix: The Company maintains a balanced and diverse board composition that adheres to the requirements under the Companies Act, 2013, and Listing Regulations. With 7 members on the board, including 4 Non-Executive Independent Members, our board comprises qualified individuals bringing essential skills, competence, and expertise. This ensures effective contributions to the board and its committees, fostering diverse perspectives and enhancing corporate governance practices.

Women Participation in the affairs of the Company: Fineotex is committed to promoting gender diversity and equal opportunities for women across all aspects of our operations. Our board includes 2 Women Directors, one of whom is an Independent Director. These initiatives underscore our commitment to empowering women and fostering a progressive future. Additionally, women constitute 24.39% of our total permanent workforce, reflecting our dedication to inclusivity and diversity.

Zero Penalties: In FY2024, there were 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 Familiarization Programme: Fineotex has instituted a comprehensive Director Familiarization Programme to enhance corporate governance. This initiative equips directors with essential knowledge, skills, and insights to fulfill their responsibilities, make informed decisions, and contribute effectively to the company's strategic direction. The programme emphasizes continuous learning and engagement, bolstering the board's effectiveness and reinforcing 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're thrilled to announce that Fineotex has been certified as a Great Place to Work for the 3rd consecutive time! This achievement is a testament to the dedication and hard work of our incredible team

EVENTS



HIGHLIGHTS

DyeChem World Exhibition – Ludhiana Edition

www.fineotex.com



DyeChem World Exhibition 2024 - Ludhiana was an outstanding success.

Industry leaders from both local and international markets attended the event. Representatives from FCL and Biotex, along with their committed marketing and management teams, had the chance to network with the foremost brands in the industry.

FCL FINEOTEX

Highlights from our trade expo
China Interdye 2024 in Shanghai!



www.fineotex.com

We are thrilled to share the highlights from China Interdye 2024!

The event was a grand success, with Fineotex and Biotex teams showcasing our latest sustainable products and interacting with various companies in the international textile markets.

FCL FINEOTEX



Highlights from
OFFSHORE TECHNOLOGY CONFERENCE 2024, TEXAS



www.fineotex.com

We are excited to share the highlights from the Offshore Technology Conference 2024, Texas!

The event was a resounding triumph, where our Fineotex and Biotex teams exhibited cutting-edge sustainable products and fostered valuable connections with companies across the worldwide textile markets.

ACHIEVEMENTS



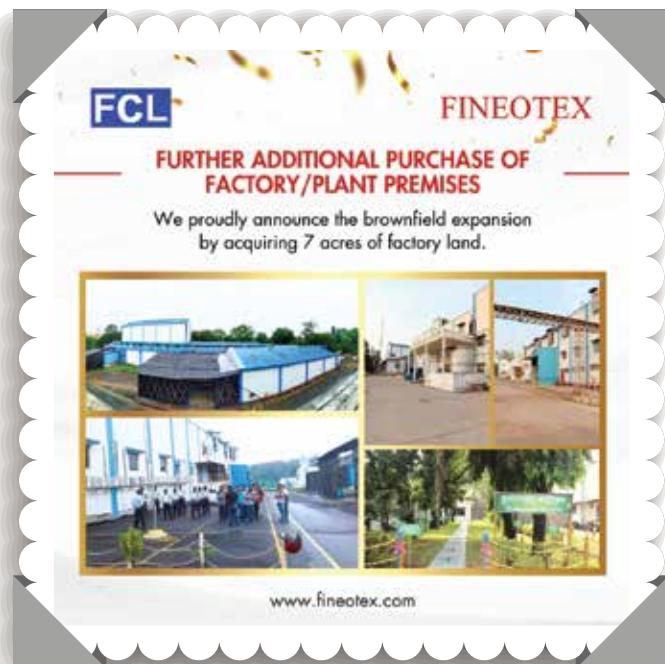
We have successfully increased the production capacity of our total facility from 43,000 MT to 104,000 MT.

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



We are thrilled to announce our upgraded Credit ratings by ICRA!

Long Term Rating: ICRA A+ (Stable)
Short Term Rating: ICRA A1+



As we enter 2024, our commitment to growth and impactful work stands strong!

We have successfully acquired a sprawling approx. 7-acre factory land in Ambarnath, solidifying our commitment to strategic expansion. With all legal formalities completed and possession secured, we embark on a journey of innovation and growth.



Forbesasia has acknowledged Fineotex Chemical Ltd as one of the top 30 Indian small mid-cap companies in its prestigious Asia's Best Under A Billion 2023 list.

Our commitment to excellence remains unwavering, and we look forward to reaching new heights.



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 AMBERNATH, MUMBAI.
B-24, Anand Nagar, Additional M.I.D.C, Ambernath, Maharashtra.
The current production capacity is 61,000 MT p.a.



INDIAN FACILITIES LOCATED AT AMBERNATH, MUMBAI.
21/1, Chikhholi, M.I.D.C, K-B Road, Ambernath-West



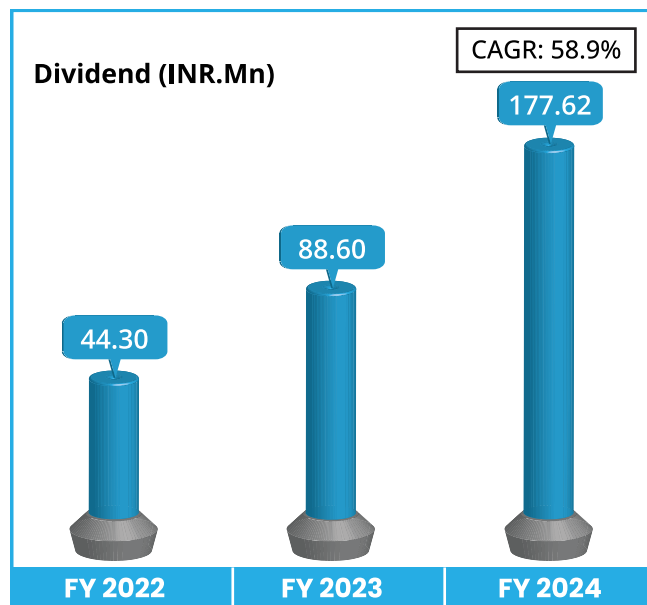
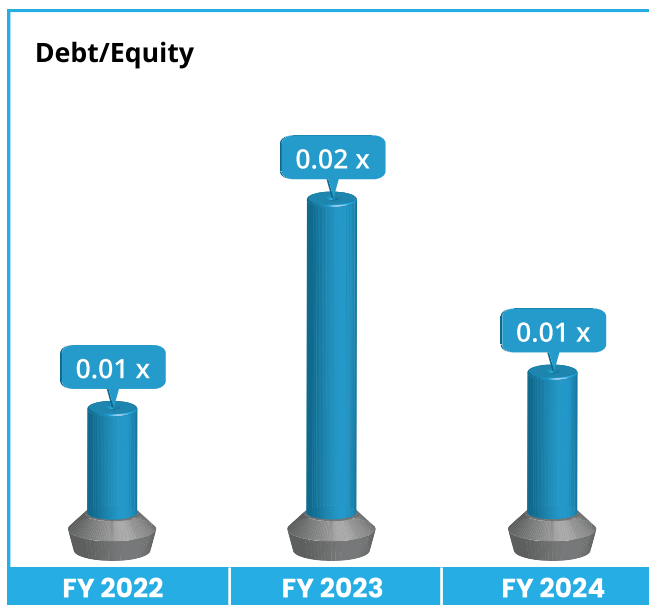
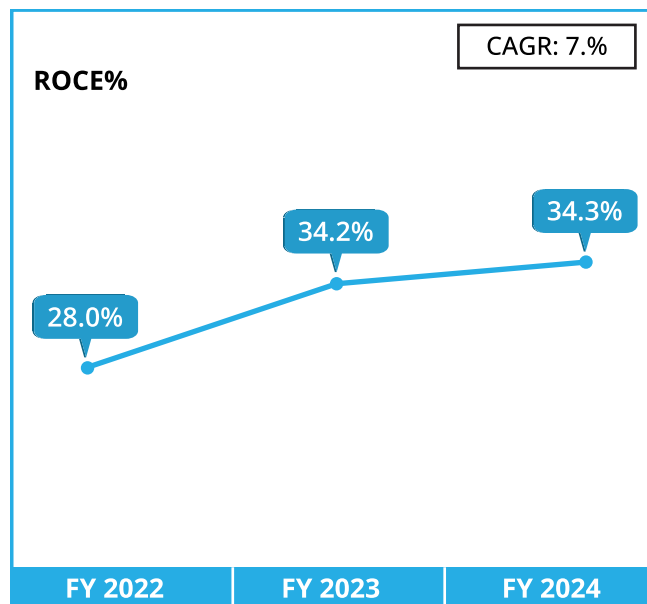
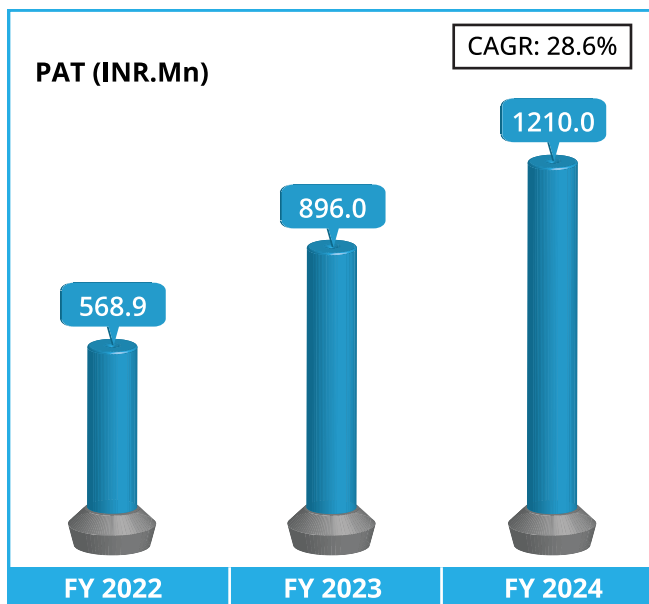
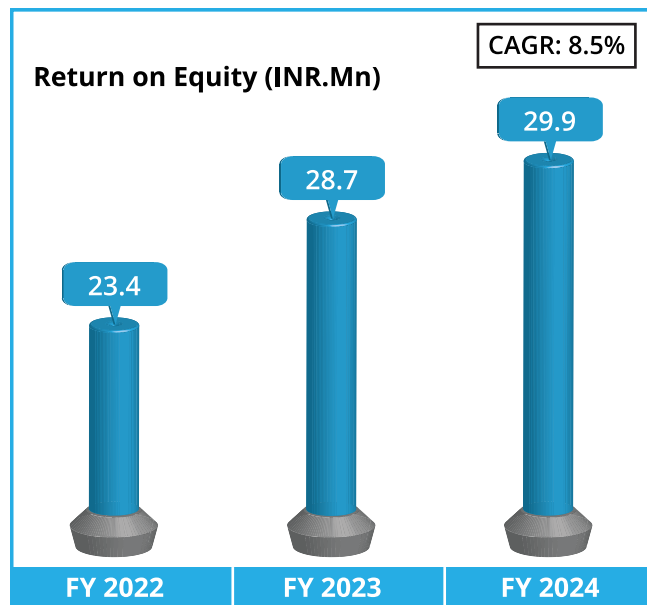
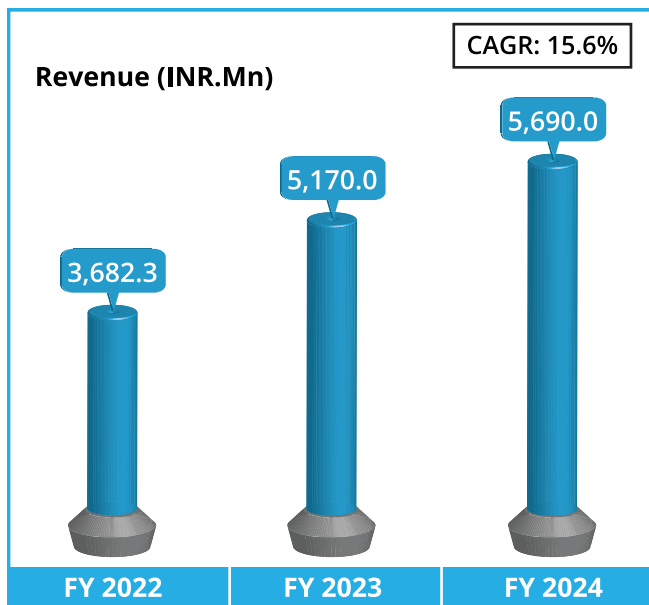
INDIAN FACILITIES LOCATED AT MAHAPE, NAVI MUMBAI.
Trans Thane Creek industrial Area, Mahape, Navi Mumbai,
Maharashtra.
The current production capacity is 36,500 MT p.a.



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

2023-2024

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING** (“AGM/ 21ST AGM”) of the members of **FINEOTEX CHEMICAL LIMITED** (“the Company”) will be held on **Tuesday, September 10, 2024 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 and consolidated financial statements of the Company for the financial year ended March 31, 2024, including balance sheet as on March 31, 2024, 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 confirm the payment of Interim Dividend and to declare a Final Dividend on Equity Shares for the financial year 2023-24;

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

4. To re-appoint the statutory auditor of the company and fix their remuneration;

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

“**RESOLVED THAT** pursuant to the provisions of section 139, 142 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 thereof for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. ASL & Co., Chartered Accountants (Firm Registration No.: 101921W), be and is hereby appointed as the Statutory Auditors of the Company for a second term of five consecutive years to hold office from the conclusion of 21st Annual General Meeting till the conclusion of 26th annual general meeting of the Company and on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT any director of the Company and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS

5. To ratify the remuneration of cost auditor;

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, 2025.

RESOLVED FURTHER THAT any director of the Company and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To re-appoint Mrs. Aarti Mitesh Jhunjunwala (DIN: 07759722) as whole-time director of the company.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), and provisions of the Articles of Association of the Company, and upon recommendation of Nomination and Remuneration Committee and approval of Board of Directors, Mrs. Aarti Mitesh Jhunjunwala (DIN: 07759722) be and is hereby re-appointed as a Whole-time Director of the Company, liable to retire by rotation, for a period of five years commencing from August 14, 2024 until August 13, 2029, on the terms and conditions including the payment of remuneration as set out in the Explanatory Statement pursuant to Section 102(1) of the Act forming part of the Notice convening the 21st Annual General Meeting.

RESOLVED FURTHER THAT the Nomination and Remuneration Committee and the Board of Directors be and are hereby authorized to alter and vary the terms and conditions of re-appointment including increase/revision in remuneration of Mrs. Aarti Mitesh Jhunjunwala, from time to time, during her tenure as Whole-time Director provided that such increase/revision in remuneration does not exceed the limits prescribed under the Act and/or SEBI Listing Regulations and/or as approved by the members in terms of the foregoing resolution.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of Mrs. Aarti Mitesh Jhunjunwala as Whole-time Director, the remuneration as provided in the Explanatory Statement pursuant to Section 102(1) of the Act forming part of the Notice convening

the 21st Annual General Meeting or the increased/revised remuneration as approved by the Board of Directors, from time to time, shall be paid to Mrs. Aarti Mitesh Jhunjhunwala, within the limits prescribed under Section 197 read with Schedule V of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

7. **To approve the appointment of Dr. Amit Prabhakar Pratap as an Independent Director of the company;**

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

“**RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 (Listing Regulations), based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors have appointed Dr. Amit Prabhakar Pratap (DIN: 08023735) as an Additional Director in the category of Non-Executive, Independent Director with effect from 09th August, 2024 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 along with his eligibility and consent to act as such as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) consecutive years with effect from 09th August, 2024 upto 08th August, 2029.

RESOLVED FURTHER THAT any Director of the Company and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

By Order of the Board
For Fineotex Chemical Limited

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

Place: Mumbai
Date: August 09, 2024

ANNEXURE TO THE NOTICE

1. The Ministry of Corporate Affairs, Government of India (“MCA”) has vide its circular dated 25th September, 2023 read with circulars dated 28th December 2022, 13th January 2021, 05th May 2020, 13th April 2020 and 08th 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 2024, 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 21st 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. 5 to 7 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 6&7 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 Tuesday, September 03, 2024 as the “**Record Date**” for determining entitlement of Members to final dividend for the financial year ended March 31, 2024, 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 before September 30, 2024 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 Tuesday, September 03, 2024;
 - (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 Tuesday, September 03, 2024
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/2021/655 dated 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 Mitesh Jhunjunwala, Director, liable to retire by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommend her re-appointments. Mrs. Aarti Jhunjunwala is interested in the Ordinary Resolutions set out at Item No. 3 and 6, of the Notice with regard to her re-appointment. Mr. Surendrakumar Tibrewala and Mr. Sanjay Tibrewala are 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. **Updating 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 dematerialization, Members are advised to dematerialize 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 Act 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 Tuesday, September 03, 2024 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 Wednesday, September 04, 2024 to Tuesday, September 10, 2024 (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 2023-24 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 2023-24 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 2023-24, 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 Act.
 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 Tuesday, September 03, 2024. 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 Saturday, August 31, 2024.

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. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM 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 EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/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 EGM/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 EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/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 EGM/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 EGM/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 EGM/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 EGM/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. EGM/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 remote e-voting period begins on Saturday, September 07, 2024 at 09:00 A.M. and ends on Monday, September 09, 2024 at 05:00 P.M. 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. Tuesday, September 03, 2024, 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 Tuesday, September 03, 2024.**

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.nsdl.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.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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 (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; border: 1px solid black; padding: 10px; margin: 10px 0;"> <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; align-items: center; 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.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at 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?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - i) If your 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.com 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.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com 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 or send a request to Ms. Prajkata Pawle at evoting@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.com 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 EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/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 Tuesday, August 27, 2024, 09:00 A.M. (IST) to Tuesday, September 03, 2024, 05:00 P.M. (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 09, 2024

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 Special business, to be transacted at the 21st Annual General meeting to be held on Tuesday, September 10, 2024, mentioned under Item Nos. 4 to 7 of the accompanying Notice dated August 09, 2024.

Item No. 4 – To re-appoint the statutory auditor of the company and fix their remuneration

Though not mandatory, this statement is provided for reference.

M/s. ASL & Co., Chartered Accountants (Firm Registration No.: 101921W), were appointed as statutory auditors of the company at the 16th AGM held on 27th September 2019, they are holding office of the statutory auditors up to the conclusion of the 21st AGM and hence, would retire at the conclusion of the 21st AGM. Therefore, based on the recommendation of Audit Committee, the Board of Directors at its meeting held on August 09, 2024 recommended the re-appointment of M/s. ASL & Co., Chartered Accountants (Firm Registration No.: 101921W) to hold office for a period of 5 (Five) years from the conclusion of 21st AGM till the conclusion of the 26th AGM on such remuneration as may be fixed by the Board of Directors of the Company, subject to the approval of the shareholders of the Company. M/s. ASL & Co., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Sections 139(1), 141(2) and 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Company has also received their eligibility and consent to act as statutory auditors. They have also provided the Peer Review Certificate as required by SEBI Regulations.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the notice.

The Board recommends the resolution at Item No. 4 to be passed as an ordinary resolution.

Item No. 5 – To ratify the remuneration of 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. Based on the recommendation of the Audit Committee, at its meeting held on 28th May, 2024, 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 financial year 2024-25 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.

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.

The Board recommends the resolution at Item No. 5 to be passed as an ordinary resolution.

Item No. 6 – To re-appoint Mrs. Aarti Mitesh Jhunjunwala (DIN: 07759722) as whole-time director of the company.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 09, 2024, and subject to approval of the members of the Company, approved the re-appointment of Mrs Aarti Mitesh Jhunjunwala (DIN: 07759722) as Whole-time Director of the Company, commencing from August 14, 2024, for a term of five consecutive years upto and including August 13, 2029, on the following terms and conditions subject to the approval of the members of the Company.

The Company is listed with much higher and diversified activities and turnover. This has increased the responsibilities of the Directors due to increasing activities and expansion programme of the Company. It is proposed to increase the remuneration in line with the present market conditions to commensurate with the present job profile within the limits prescribed under the Schedule V of the Companies Act, 2013.

Mrs. Aarti Jhunjunwala has completed her Masters in Accounts and Taxation. She has been involved in the family business for several years and has knowledge of the products and markets in which the Company operates. She is a visionary leader whose exceptional leadership has propelled the Company to global prominence. She has been looking after the overall international affairs of the Company. She has led the transformation of the Company through International Marketing. Under her leadership, the group has achieved market leadership in its key products and expanded into new products.

The Nomination and Remuneration Committee (NRC) of the Board of Directors have proposed a maximum remuneration that would not exceed Rs. 1,80,00,000 (Rupees One Crore Eighty Lakhs only) per annum. In case of no profits, the Nomination and Remuneration Committee has recommended that she will be entitled for a maximum salary upto Rs. 7,00,000/- (Rupees Seven Lakh) per month. This is in line with the limit given in Schedule V of the Companies Act, 2013. At present, the NRC has approved the payment of Basic salary of upto Rs. 6,00,000/- p.m. and other allowance of upto Rs. 3,00,000/- per month and the perquisites not exceeding a sum of Rs. 1,00,000/- p.a. in addition she will be entitle for a car and a telephone at residence for official work. She will also be entitled for retirement benefits as applicable to Senior Executives of the Company like Provident Fund, Superannuation Fund, Gratuity and Encashment of Leave. The shareholders consent is sought to authorize the Board and Nomination and Remuneration Committee to review the same and increase within the overall limit. This may be treated as an abstract of the draft agreement between the Company and Mrs. Aarti Mitesh Jhunjunwala for revision of the remuneration and term of appointment pursuant to Section 196 of the Companies Act, 2013.

Mrs. Aarti Mitesh Jhunjhunwala (Whole-time Director) satisfies all the conditions set out in Part I of Schedule V to the Act and also conditions set out under Section 196 of the Act for being eligible for her appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), listed entity shall ensure that approval of members for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. In view of the above, approval of the members is sought for re-appointment of Mrs. Aarti Mitesh Jhunjhunwala as a Wholetime Director of the Company. The Company has received the requisite consents, declarations, etc. from Mrs. Aarti Mitesh Jhunjhunwala in relation to her re-appointment.

Having regard to the qualifications, experience and knowledge, the Board is of the view that the re-appointment of Mrs. Aarti Mitesh Jhunjhunwala as Whole-time Director will be beneficial to the functioning and future growth opportunities of the Company and the remuneration payable to her commensurate with her abilities and experience.

The information pursuant to Schedule V of the Act, as amended, is given in **Annexure-I** forming part of this Notice.

Mr. Surendrakumar Tibrewala, being her Father and Mr. Sanjay Tibrewala being her Brother and their respective relatives are deemed to be directly or indirectly concerned or interested in the Resolution No. 6 and are not entitled to vote on the resolution. Mrs. Aarti Mitesh Jhunjhunwala, being the appointee and her respective relatives are deemed to be directly or indirectly concerned or interested in the Resolution No. 6 and are not entitled to vote on the resolution. Further, no voting done by any members of the Company, if such member is a related party, shall be counted for the purpose of passing of the resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the above resolution.

The Board recommends the resolution at Item No. 6 to be passed as an ordinary resolution.

Item no. 7 – To approve the appointment of Dr. Amit Prabhakar Pratap as an Independent Director of the company

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have appointed Dr. Amit Prabhakar Pratap as an Additional Director in the category of Non-Executive, Independent Director not liable to retire by rotation, for a period of 5 (Five) consecutive years with effect from 09th August, 2024 upto 08th August, 2029.

In the opinion of the Board, Dr. Amit Prabhakar Pratap fulfils the conditions specified in the Companies Act, 2013 (the Act) and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his appointment as a Non-Executive, Independent Director of the Company. Dr. Amit Prabhakar Pratap has over 20 years of experience in the profession. Dr. Amit Prabhakar Pratap has been associated with chemical industries, The Nomination and Remuneration Committee has identified amongst others, leadership capabilities, expertise in governance, experience in policy shaping and industry advocacy, legal compliance, finance & risk management, industry knowledge & experience and global experience/international exposure as the skills required for the role of a Director.

The Nomination and Remuneration Committee and the Board of Directors are of the view that Dr. Amit Prabhakar Pratap possess the requisite skills and capabilities. Considering the skills, experience and expertise, the Committee and the Board considers that this association would be of immense benefit to the Company and it is desirable to avail services of Dr. Amit Prabhakar Pratap as an Independent Director.

The letter of appointment issued to Dr. Amit Prabhakar Pratap setting out all the terms and conditions of appointment as a Non-Executive, Independent Director shall be open for inspection as per the details provided in this Notice. Disclosures as required under Secretarial Standard 2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided as an Annexure II to this Notice.

In accordance with the provisions of Section 149 of the Act read with Schedule IV thereto, the appointment of Independent Directors requires approval of the Members. Further, as per Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director shall be subject to the approval of Members by way of a special resolution.

Dr. Amit Prabhakar Pratap, being the appointee and his respective relatives are deemed to be directly or indirectly concerned or interested in the Resolution No. 7 and are not entitled to vote on the resolution. Further, no voting done by any members of the Company, if such member is a related party, shall be counted for the purpose of passing of the resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the above resolution.

The Board recommends the resolution at Item No. 7 to be passed as a special resolution.

By Order of the Board
For Fineotex Chemical Limited

Sd/-
Surendrakumar Tibrewala

Chairman & Managing Director
DIN: 00218394

Place: Mumbai
Date: August 09, 2024

Annexure- I

STATEMENT PURSUANT TO PROVISIONS OF SCHEDULE V OF THE ACT WITH RESPECT TO ITEM NO. 3& 6 OF THE NOTICE AND THE SEBI LISTING REGULATIONS, AS THE CASE MAY BE

I. General Information:

1. **Nature of industry:** Manufacturing and Sale of Chemicals and Chemical Products.
2. **Date of commencement of commercial production:** Existing Company, commercial production commenced in 2007
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :** N.A
4. **Financial performance based on given indicators:** (Rs. in Lakhs)

For the Financial Year	2023 -24	2022-23
Revenues	41,892.82	29,555.04
Net Profit/ (Loss) before Tax	14,054.59	6,770.80
Net Profit/ (Loss) after Tax	11,062.66	5,201.93
Earnings Per Share (Rs)	9.99	4.70

5. **Foreign investments or collaborations, if any: During the year there is no Foreign Investments or collaborations.**

II. Information about the Directors seeking appointment

1. **Background details:** Mrs. Aarti Jhunjhunwala 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.
2. **Past Remuneration:** Rs. 71.40 Lakhs per annum
3. **Recognition or awards :** N.A.
4. **Job Profile and her sustainability :** Same as above in Point 1.
5. **Remuneration proposed :** upto Rs.180 Lakhs per annum including perquisites
6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin):**
Taking into consideration the size of the Company and the individual profile of Mrs. Aarti Mitesh Jhunjhunwala and the industry benchmarks, the revised limits of maximum remuneration proposed commensurate with the remuneration packages paid to similar senior level positions in other Companies in the industry.
7. **Pecuniary relationship directly or indirectly with the Company :**
Apart from receiving remuneration as stated above, she does not have any other pecuniary relationship with the Company. She is the Promoter of the Company and holds 81,050 equity shares.
8. **Relationship with other Directors & KMP :**
Mr. Surendrakumar Tibrewala Chairman & Managing Director - Father
Mr. Sanjay Tibrewala Executive Director & CFO - Brother

III Other Information

- i. **Reasons of loss or inadequate profits:**
The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.
- ii. **Steps taken during the year for improvement:**
The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.
- iii. **Expected increase in productivity and profits in measurable terms:**
The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

IV. Disclosures

The Nomination & Remuneration Committee and the Board of Directors of the Company recommend the passing of the resolution set out at Item No. 6 of this Notice as an Ordinary Resolution, which is only an enabling resolution with a view to gaining flexibility in the emerging environment. Except Mr. Surendrakumar Tibrewala, Mr. Sanjay Tibrewala and her relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 6 of this Notice, except to the extent of their respective shareholding, if any, in the Company. This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

The details required to be given under this head are disclosed in the Corporate Governance Report of the Company in the Annual Report for the financial year 2023-2024.

Annexure-II

Details of Directors seeking appointment /reappointment at the 21st Annual General Meeting pursuant to Secretarial Standards on General Meetings (SS-II) and Regulation 36(3) of LODR

S.N.	Particulars	Re-appointment of Mrs. Aarti Jhunjunwala as Director	Appointment of Dr. Amit Prabhakar Pratap as an Independent Director
1	Name of the Director	Mrs. Aarti Jhunjunwala	Dr. Amit Prabhakar Pratap
2	Director Identification Number	07759722	08023735
3	Date of Birth/ Age	24/01/1983 (40 years)	19/03/1976 (48 years)
4	Date of First Appointment	14/08/2018	09/08/2024
5	Expertise in General Specified Area	Rich and Varied experience in International Business	Expertise in Chemical industry
6	Qualifications	Masters in Accounts and Taxation	Completed graduation and post-graduation in Oils, Oleochemicals and Surfactants Technology and obtained Ph. D. (Tech) from Institute of Chemical Technology (formerly UDCT), Mumbai
7	Experience	More than 15 years.	More than 20 years
8	Terms and Conditions for appointment	As per the Service Agreement entered by and between the Company and the said Director	NA
9	Remuneration last drawn during financial year 2023-24 (Rs in lakhs)	Rs. 71,40,000/-	NA
10	Shareholding in the Company	81,050 equity shares	NA
11	Relationship with Directors	Daughter of Mr. Surendrakumar Tibrewala and Sister of Mr. Sanjay Tibrewala	NA
12	Total No of Board meeting attended during the year 2023-2024	5/5	NA
13	Directorship in other Public Limited Company as on March 31, 2024	Nil	NA
14	Chairmanship/Membership of Committees of the Board of Directors of the Company	Member of Whistleblowing Committee	NA
15	Chairmanship/Membership of Committees of other Indian Public Limited Companies	Nil	NA

DIRECTORS' REPORT

Dear Members,

Your Board of Directors (“the Board”) take pleasure in presenting the Board’s Report as a part of the 21st 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 2024.

1. HIGHLIGHTS

The Financial Year 2023-24 stands out tall continuing to roll out better performance over the last year. This is the testimony of achieving higher and higher milestones year after year. The topline has shown a jump of almost 50% over the last year. The net profit before tax for the current year has more than doubled. This demonstrates the Company’s increase in market shares and also a decisive march in the niche product range of superior and high value product range. We saw the turnover boost over Financial Year 2022-23 signifying the increase in our market share. The Company’s policy to provide customised business solutions to our customers has been the base for increase in our product range. Our vision and our capabilities to be an effective customized solution provider are confirmed by the performance for the year 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 31-03-2024	Year ended 31-03-2023	Year ended 31-03-2024	Year ended 31-03-2023
Total Income	45,135.19	30,620.61	58,550.79	52,430.02
Less: Expenditure	31,080.60	23,849.81	42,974.05	40,950.14
Profits before Tax	14,054.59	6,770.80	15,756.74	11,479.88
Less: Income Tax Expense	2,991.93	1,568.87	3,654.23	2,524.40
Profit after Tax	11,062.66	5,201.93	12,102.51	8,955.48
Other Comprehensive Income (net of tax)	(23.62)	0.26	(23.62)	0.26
Total Comprehensive Income	11,039.04	5,202.19	12,078.89	8,955.74

Attributable to

a. Owners of the Company	11,039.04	5202.19	11,957.26	8831.84
b. Non Controlling Interest	Nil	Nil	121.63	123.90

i) Financial Performance – Standalone:

The Company topline increased by 41.75% over previous year to Rs. 41,892.82 lakhs over the previous year on standalone basis. The Profit after Tax for the current year showed a leap of 112.67% over the previous year. This was on account of your Company’s customer focus with change of product mix to foresee and meet their needs. Improved realisations and increase in volumes have also contributed to this better performance during the year.

ii) Financial Performance – Consolidated

On consolidated basis the topline has increased to Rs, 56,897.04 lakhs as against Rs. 51,699.56 Lakhs for the year ended 31st March, 2023. During the financial year 2023-24, the Company earned a profit after tax crossed the 100 crore mark. The Profit after Tax increased from Rs. 8,955.48 Lakhs to Rs. 12102.51 Lakhs in the current 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. 0.40 per equity share having face value of Rs. 2 each for the financial year ended 31st March 2024 (Dividend for financial year 2022-23 Rs. 0.80 per equity share of Rs. 2 each) at a total payout of Rs. 446.94 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. If the final dividend is approved by the members, then the same will be paid within 30 days from the date of approval.

During the year, the company has declared and paid an Interim Dividend of Rs. 1.20/- per equity share having face value of Rs. 2/- each for the financial year 2023-24 at a total payout of Rs. 1329.18 Lakhs out of the profits of the company.

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 Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 04, 2024 to Tuesday, September 10, 2024 (both days inclusive) for

the purpose of payment of the dividend and AGM for the financial year ended March 31, 2024.

4. RESERVES AND SURPLUS

During the financial year, no amount was proposed to be transferred to the Reserves account.

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 awarded with the **ESG Registered Badge by Dun & Bradstreet (D&B)** a prominent global provider of business decisioning data and analytics
- The management is thrilled to inform that Company has been certified as **"Great Place to Work"** for the 3rd consecutive time.
- During the year the **Credit Rating** of the company has been **upgraded by the ICRA** i.e. long-term rating ICRA A+ Stable (pronounced ICRA A plus Stable) and short-term rating ICRA A1+ (pronounced ICRA A One Plus).
- **Purchased Additional factory land premises of 7 acres at Additional Ambernath MIDC, Maharashtra**
- Received accreditation by National Accreditation Board for Testing and Calibration Laboratories (NABL) for the laboratory situated at **Sasmira Institute, Worli, Mumbai.**
- Company has successfully commissioned its **Solar Power Plant installation at Ambernath Facility.**

6. SHARE CAPITAL

The Share Capital of the Company at the beginning of the financial year stands at Rs. 2,214.97 Lakhs consisting of 11,07,48,420

equity shares of Rs. 2/- each.

During the financial year 2023-24 the company has allotted the 16,569 shares of Rs. 2/- each to the eligible employees on exercise of options pursuant to "Fineotex Chemical Limited - Employee Stock Option Plan 2020 ("FCL-ESOP 2020")" on 23rd December, 2023.

As a result of the above allotment the paid-up capital of the Company as at the end of the financial year increased to Rs. 2215.30 lakhs consisting of 11,07,64,989 equity shares of Rs. 2 each.

7. PREFERENTIAL ISSUE

The Board of Directors of the company at its meeting held on 16th February, 2024 and Members of the Company at their Extraordinary General Meeting ('EGM') held on 09th March, 2024, has inter-alia approved the following:

- i) Issuance of 42,00,600 (Forty Two Lakhs Six Hundred) Share Warrants each convertible into 1 (one) fully paid up equity share of the Company, having a face value of Rs. 2/- within a period of 18 months (eighteen months) in accordance with the applicable laws ("Warrants") at a price of Rs. 346/- (Rupees Three Hundred and Forty Six only) each payable in cash ("Warrant Issue Price"), aggregating upto Rs. 145,34,07,600/- (Rupees One Hundred Forty Five Crore Thirty Four Lakhs Seven Thousand Six Hundred Only) to the Promoters and certain other identified persons by way of preferential issue, subject to the approval of the other regulatory or statutory approvals as may be required.
- ii) Issuance of 39,02,000 (Thirty Nine Lakhs Two Thousand) equity shares of the Company having face value of Rs. 2/- each, at a price of Rs. 346/- (Rupees Three Hundred and Forty Six only) per equity share, each payable in cash ("Share Issue Price"), aggregating upto Rs. 135,00,92,000/- (Rupees One Hundred Thirty Five Crore Ninety Two Thousand Only) to the certain other identified persons by way of preferential issue, subject to the approval of the other regulatory or statutory approvals as may be required.

8. EMPLOYEES SHARE OPTION SCHEME 2020

At the 17th Annual General Meeting of the Company held on 29th September, 2020, the members have approved Employees Stock Option Scheme-FCL-ESOP-2020 for granting options to eligible employees of your Company. The Scheme is as per the regulations laid down by the Securities and Exchange Board of India and is operational.

As at the beginning of the year, a total of 49,511 stock options were outstanding. During the year 2023-24, 6,274 fresh options were offered as per the scheme. Certain eligible employees opted to exercise their options and 16,569 equity shares of Rs. 2/- each were allotted to them. Considering the extinguishment of options, the total number of options outstanding as on March 31, 2024 are 33,878.

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 2021, will be open for inspection at the 21st Annual General Meeting of the Company.

9. 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 dividend to its holding company during the financial year 2023-24.

FML incorporated a wholly owned subsidiary -BT Biotex Limited, UAE with an initial investment of US\$ 10,000. The Company is exploring the expansion and diversification of activities in Middle East.

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. The Fineotex Biotex Healthguard FZE has paid the dividend during the financial year 2023-24.

b. Indian Subsidiaries:

The Company had incorporated a wholly owned subsidiary named Fineotex Specialities Private Limited (FSPL) on 5th September, 2020 with an investment of Rs. 100 lakhs to the Equity Capital. It had commenced operations November 2021 and is contributing handsomely to both the topline and bottomline of the Company since then. Fineotex Specialities Private Limited also qualifies as a material subsidiary from the financial 2023-24 as per Regulation 16(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. During the year, the name of the company has been changed from Fineotex Specialities Private Limited to FSPL Specialities Private Limited. FSPL had declared a maiden dividend for 2022-23 of Rs. 45/- Per equity shares of Rs. 10/- each amounting to Rs. 450 Lakhs. FSPL has also declared an interim dividend of Rs. 50/- per share of Rs. 10/- each amounting to Rs. 500 Lakhs. Thus, your Company has received an amount of Rs. 950 lakhs as the dividend during the year which is reflected in Company's Standalone accounts.

During the year, your Company has incorporated a wholly owned subsidiary named "Finoclean Specialities Private Limited" with an initial investment of Rs. 100 Lakhs to the Equity Share Capital.

Manya Manufacturing India Private Limited is the Indian subsidiary. It was acquired for a 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 Annual 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.

10. CREDIT RATING

The borrowings of the Company are very minimal. The Company obtains Credit Rating of its various credit facilities and instruments from ICRA Limited ("ICRA"). During the year, ICRA has upgraded their ratings on the bank facilities of the Company. The Long-term ratings has been upgraded from ICRA A (pronounced ICRA A) to ICRA A+ Stable (pronounced ICRA A plus Stable) and short-term ratings has been upgraded from ICRA A1 (pronounced ICRA A one) to ICRA A1+ (pronounced ICRA A one plus) after careful consideration by the Rating Committee at ICRA.

11. FINANCE AND CAPITAL EXPENDITURE

The Company's finance position has been further strengthened during the year due to growth in profitability. The cash generation from operations reflect a positive contribution over the last year. Over the years, this has become a ritual. 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. 1346.16 Lakhs in fixed assets during the current year to ensure adequate manufacturing capacity.

12. 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.

13. 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.

14. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for the year ended 31st March 2024, 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 this Annual Report.

15. PUBLIC DEPOSITS, LOANS AND ADVANCES

During the financial year 2023-24, 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.

16. 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".

17. 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 in "Annexure – 2" forming part of this Report.

18. 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>

19. PARTICULARS OF EMPLOYEES

The total number of permanent employees on the rolls of the Company as on March 31, 2024 was 274.

The disclosure pertaining to remuneration and other details as required under Section 197 of the act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, duly amended, forms part of this report are annexed as an "Annexure – 4" and the information required under Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, duly amended, will be provided under request.

As per the provision of the section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the shareholders. Any shareholder interested in receiving the same in hard copy may write to the Company Secretary at investor.relations@fineotex.com.

20. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS.

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.

21. RELATED PARTY TRANSACTIONS / CONTRACTS

In line with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Policy can be accessed on the Company’s website at <https://fineotex.com/wp-content/uploads/2023/05/RPT-Policy.pdf>

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm’s length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm’s length basis.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act given in “**Annexure – 6**” as per AOC - 2.

Details of related party transactions entered into by the Company, in terms of IND AS-24 have been disclosed in the notes to the standalone/consolidated financial statements forming part of the Annual Accounts 2023-24.

22. CORPORATE SOCIAL RESPONSIBILITY

The objective of the Company’s Corporate Social Responsibility (“CSR”) initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders. The salient features of the Policy forms part of the Annual Report on CSR activities annexed to the Board’s Report. 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. The CSR policy is available on the website of the Company at <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.

During the financial year 2023-24, the Company was required to spend Rs. 96.92 Lakhs which is the minimum amount to be spent on CSR activity. In the previous year the Company had spent an excess amount of Rs. 25.18 Lakhs which can be set off against current’s year’s CSR obligation. The Company has met its CSR obligation of the current year by spending Rs. 73.50 Lakhs during the year after considering the additional amount set-off. The brief details of the CSR obligations undertaken by the Company during the year under review has been annexed as “**Annexure – 7**”.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The board of the company comprises of 7 (Seven) Directors, of which 4 (Four) Directors are Non-Executive Independent Directors and 3 (Three) Directors are Executive Directors.

During the financial year 2023-24, the constitution of the Board complies with the requirements of the Act and the SEBI Listing Regulations.

a) Appointment/Resignation of Directors

During the year under review there has been no change in the position of the directors of the Company.

b) Retirement by Rotation

Mrs. Aarti Jhunjunwala is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, she offers herself for re-appointment. The brief profile of Mrs. Aarti Jhunjunwala has been annexed with the Notice of this Annual General Meeting.

c) Appointment/Resignation of Key Managerial Personnel

During the year under review there has been no change in the key Managerial Personnel of the Company.

During the financial year 2023-24, 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 2023-24 other than disclosed above.

24. DECLARATION OF INDEPENDENT DIRECTORS

During the financial year 2023-24, all the Independent Directors of the Company has given 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. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Company has conducted 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/2024/02/FCL-Familiarization-Programme-2023-24.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.

Upon the 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, the board has evaluated the performance of the entire Board, its Committees, and individual directors.

During the financial year 2023-24, 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:

Pursuant to provisions of section 139 of the Act, the members at the 16th Annual General Meeting of the Company held on 27th September 2019 appointed M/s. ASL & Co., Chartered Accountants (Firm Registration No.: 101921W) as statutory auditors of the Company from the conclusion of 16th annual general meeting till the conclusion of 21st Annual General Meeting, covering one term of five consecutive years. The term of appointment of the statutory auditors expires at the conclusion of 21st annual general meeting.

The Board of Directors based on the recommendation of the audit committee, at its meeting held on August 09, 2024, has proposed the re-appointment of M/s. ASL & Co., Chartered Accountants (Firm Registration No.: 101921W) as statutory auditors of the Company for a further term of five years to hold office from the conclusion of 21st annual general meeting till the conclusion of 26th annual general meeting, subject to approval of the members and to fix their remuneration.

The statutory auditors have confirmed that they are not disqualified from continuing as auditors of the Company.

The statutory audit report for the year 2023-24 does not contain any qualification, reservation or Adverse remark or disclaimer made by statutory auditor.

(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 2023-24. The Secretarial Audit Report, pursuant to Section 204(1) of the Act for the financial year ended 31st March 2024 is annexed to this Report as “Annexure – 8” and forms part of this Report.

The Secretarial Audit Report for 2023-24 does not contain any qualification, reservation or adverse remarks.

During the year, the Company has complied with the applicable corporate governance requirements as prescribed under the SEBI Listing Regulations with respect to its subsidiaries. Therefore, the Secretarial Audit of the Material Subsidiary viz. FSPL Specialities Private Limited

(“FSPL”), was carried out by M/s. HSPN & Associates, Company Secretaries, Mumbai in terms of Regulation 24A of the Listing Regulations and a copy of the report is annexed to this Board Report as along with the Annexure – 8. The Secretarial Audit Report of FSPL does not contain any qualification, reservation, adverse remark or disclaimer.

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2023-24 pursuant to Regulation 24A (2) of the SEBI Listing Regulations. The Annual Secretarial Compliance Report for the financial year ended 31st March 2024 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:

During the Period under review, pursuant to Section 148 of the Act read with the Rules framed thereunder, the Board has re-appointed M/s. V J Talati & Co, Cost Accountants, to conduct an audit of the cost records of the Company for the financial year 2023-24.

M/s V J Talati & Co, the Cost Auditor of the Company submitted the Cost Audit Report for the year 2023-24 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 at its meeting held on 28th May, 2024, 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 2024-25. 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 2024-25 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 2024-25 is required to be ratified by the Members of the Company at the forthcoming 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 this AGM of the Company.

28. BOARD MEETINGS

The Board met 5 (Five) times during the financial year 2023-24. The dates of meetings of the Board and its Committees and attendance of each of the Directors thereat are provided separately in the Corporate Governance Report given in “Annexure – 9” of this report.

The maximum gap between two Board meetings held during the year was not more than 120 days, except the meeting of the board of directors held on 16th February, 2024 at a shorter notice.

29. 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.

30. RISK MANAGEMENT COMMITTEE

As per the Regulation 21 of SEBI (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 Board has formed the Committee during the year. The Committee met twice in a year i.e. on 3rd July, 2023 and 26th December, 2023.

31. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The Committee comprises of Mrs. Bindu Darshan Shah (Chairman), Mr. Alok Dhanuka and Mr. Sanjay Tibrewala. The Committee met 4 (Four) times during the year under review, the details of which are given in the Corporate Governance Report of this Annual Report.

During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.

32. 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

33. HUMAN RESOURCES

The focus on human capital continued to be a cornerstone of the Company's strategic endeavours. Recognizing the pivotal role of our workforce as the driving force behind our diverse business ventures, the Company endeavoured to cultivate an environment conducive to their growth, development, and overall well-being.

The Company has a strength of permanent employees and contract workers as on 31st March, 2024. From the total permanent employees, over 19.51% are Women.

We consider the employees as our most valuable asset and help them realize their full potential. 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 Human Resource function of the company 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'.

34. 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 2023-24.

No. of Complaints Outstanding: **NIL**

No. of Complaints 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 year, 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.

35. 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 suitable 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

36. 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, 2024 can be viewed on the website as per following link at www.fineotex.com.

37. 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.

38. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Reporting (BRSR) of the Company for the financial year ended 31st March 2024 as required pursuant to the Regulation 34(2)(f) of the SEBI Listing Regulations is annexed herewith as “Annexure - 10” forming part of this Report and the same is also available on the Company’s website at www.fineotex.com.

39. 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 2024.

40. 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. 61,400.30/- that was unclaimed for a period of seven years was transferred by the Company to the Investor Education and Protection Fund (“IEPF”), established by the Government of India. Those shareholders whose unclaimed dividend has been transferred can claim it back. The concerned shareholders can approach the Secretarial Department for guidance and assistance.

41. TRANSFER TO UNCLAIMED SHARES TO IEPF

During the financial year 2023-24, 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.

42. LISTING ON STOCK EXCHANGES

As on 31st March, 2024 the 11,07,64,989 equity shares of Rs. 2/- each of the company 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 the stock exchange/s.

43. DEMATERIALISATION OF SHARES

There were 11,07,64,839 equity shares of the Company held by the shareholders in dematerialised form as on 31st March 2024, representing 99.99% of the total paid-up share capital of the Company consisting of 11,07,64,989 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 of the company are held in physical form.

44. 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.

45. 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 2024 including therein the Audited Financial Statements for the financial year 2023-24, are being sent only by email to the Members.

❖ **ACKNOWLEDGEMENT**

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 of Directors of
Fineotex Chemical Limited**

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

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

Place : Mumbai
Dated: August 09, 2024

“Annexure - 1”

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economy: Resilience and Growth Potential

The Indian economy has demonstrated a remarkable capacity for resilience and is strategically positioned to capitalize on its growth potential. According to the National Statistical Office (NSO), the economic recovery has been largely driven by strong private consumption and an increase in resurgence in government expenditure. Despite the contraction in net exports due to significant growth in exports and a slowdown in imports, the overall economic outlook remains positive. The government continues to refine its policies to foster rapid economic growth, mitigate risks, streamline supply chains, and ensure the continuous availability of raw materials. These strategic measures are essential for sustaining India's growth trajectory.

The Indian chemicals industry is a critical component of the country's economic landscape. This sector is projected to reach USD 300 billion by 2025. The industry's diverse portfolio encompasses over 80,000 products, employing more than 2 million people, which underscores its significance. India holds a strong position in the global chemicals market, being the third-largest consumer of polymers, the fourth-largest producer of agrochemicals, and the sixth-largest producer of chemicals globally. The Indian chemicals industry contributes 3.4% to the global chemicals industry and approximately 7% to India's GDP.

The specialty chemicals segment is one of the fastest-growing within the Indian manufacturing sector. This growth is driven by increased demand from various end-user industries, favorable government policies, a burgeoning domestic customer base, and shifts in consumer lifestyles. The specialty chemicals sector is expected to grow at a compound annual growth rate (CAGR) of 12.4%, from USD 32 billion in 2019 to an estimated USD 64 billion by 2025. ICRA's ratings indicate improved export performance and a positive outlook for agrochemicals and surfactants.

India's chemical sector benefits from a robust network of over 200 national laboratories and 1,300 research and development (R&D) centers, providing a strong foundation for innovation. This infrastructure supports the industry in meeting both domestic and international demand. Additionally, global companies are increasingly looking to de-risk their supply chains, which have been heavily reliant on China. This shift presents a significant growth opportunity for India's chemical sector.

The Indian government has recognized the importance of the chemical industry and has implemented several initiatives to support its growth. In the Interim Union Budget 2024-25, the government allocated Rs. 192.21 crore (USD 23.13 million) to the Department of Chemicals and Petrochemicals. The government also supports the industry through research and development initiatives, reducing basic customs duty on several imported products, and promoting the 'Make in India' campaign. Furthermore, a vision for the chemicals and petrochemicals sector has been established to explore opportunities to enhance domestic production, reduce imports, and attract investments.

Investment in the Indian chemicals and petrochemicals sector is projected to reach Rs. 8 lakh crore (USD 107.38 billion) by 2025. Specialty chemicals, which account for 22% of the total chemicals and petrochemicals market in India, are expected to see rising demand. The sector's growth is bolstered by the government's production-linked incentive (PLI) schemes, aiming to create an end-to-end manufacturing ecosystem through the development of clusters. The government plans to implement output incentives of 10-20% for the agrochemical sector.

The Indian government has established four Petroleum, Chemicals, and Petrochemical Investment Regions (PCPIRs) and several Plastic Parks to facilitate technological development and create a conducive ecosystem for producing specialized plastic products. These initiatives aim to enhance the industry's competitiveness and attract further investment.

Additionally, the government is considering launching a PLI scheme specifically for the chemical sector to boost domestic manufacturing and exports. The allowance of 100% foreign direct investment (FDI) under the automatic route, with few exceptions for hazardous chemicals, reflects the government's commitment to fostering a favorable investment climate.

Overall, the Indian chemicals industry is poised for substantial growth, driven by robust domestic demand, strategic government support, and a favorable global market position. The sector's expansion will significantly contribute to India's economic growth, making it a key pillar of the country's industrial landscape.

Emergence of the Indian Specialty Chemicals Market and Growth Potential

India's specialty chemicals sector is experiencing strong growth driven by strategic advantages and favorable market dynamics. Despite global disruptions, the industry has demonstrated resilience, underscoring its pivotal role in global supply chains. Key drivers of India's emergence include advanced process engineering capabilities, facilitating efficient and innovative production across diverse chemical applications.

Cost-optimized manufacturing remains a cornerstone of India's competitive edge, offering significant advantages over developed economies. A skilled workforce adept at driving technological advancements further enhances India's manufacturing prowess. Government initiatives such as the Production-Linked Incentive (PLI) schemes and the Petroleum, Chemicals, and Petrochemicals Investment Region (PCPIR) policy enhance infrastructure development and regulatory facilitation, attracting substantial investments. These efforts position India as an attractive destination for global manufacturers adopting diversified production strategies and embracing the "China plus one" approach.

As demand accelerates across key sectors including agrochemicals, pharmaceuticals, and specialty polymers, India is well-positioned to capitalize on these opportunities. Leveraging its manufacturing excellence and strategic initiatives, the country aims to sustain growth momentum and strengthen its leadership in the global specialty chemicals market.

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

Fineotex Chemical Limited continues to expand strategically by targeting new domestic and international markets, aiming to diversify our product portfolio. Strengthening our brand through strategic collaborations with esteemed industry leaders has been pivotal. Recently, we have observed a significant increase in demand for our specialized finishing products, and Fineotex is fully equipped to meet this trend. Additionally, the heightened global focus on health and hygiene is expected to strengthen our revenue streams. To capitalize on these opportunities, Fineotex is enhancing its production capabilities and innovating new specialty chemicals.

As a key participant in the specialty chemicals sector, with a strong emphasis on textile chemicals, Fineotex operates in an industry marked by significant technical barriers to entry and a high degree of innovation and product customization. Our subsidiary, Biotex Malaysia, plays a crucial role in driving research, development, and product innovation in this domain.

The textile industry remains the primary market for Fineotex's specialty chemicals. We have cultivated strong relationships with leading textile brands, earning strong brand recognition for our high-quality products. Our offerings are well-received both domestically and internationally, supporting manufacturing and processing needs. Fineotex's export network spans over 70 countries, underscoring our global footprint.

Our strategic expansion into the cleaning and hygiene sector leverages our technical expertise and production capabilities, providing us with a competitive advantage. Many chemical compounds used in the textile segment have direct applications in cleaning and hygiene, a sector showing steady growth and promising acceleration. This diversification strengthens Fineotex's business and revenue streams while leveraging our core competencies. We remain committed to upholding high standards of quality and performance in our cleaning and hygiene products, consistent with our textile chemicals.

In addition to manufacturing specialty chemicals, Fineotex offers tailored technical solutions and services, supported by a strong focus on research and development. Strategic alliances with partners and institutions, including EuroDye, HealthGuard, and Sasmira, further enhance our market presence and product offerings.

Fineotex is dedicated to sustainability, actively reducing its environmental footprint through collaborative efforts with peers in the textile, cleaning, and hygiene sectors. Equipped with modern infrastructure and advanced automation, our facilities support eco-friendly chemical manufacturing, aligning with global environmental standards.

To meet the evolving demands of our clientele, we recently acquired an additional seven acres of factory land at Ambarnath MIDC, Thane, Maharashtra, investing INR 35 crores from internal accruals. This new facility, adjacent to our existing Ambarnath plant, will cater to the growing demands in specialty performance chemicals, encompassing textile, home care, cleaning, hygiene, and drilling specialties.

Our evolution from specializing in textile chemicals to diversifying into health and hygiene, and oil and gas sectors underscores our commitment to tailored solutions for discerning clients. This strategy has enhanced

customer trust and strengthened our brand equity. Our focus on eco-friendly and sustainable products manufactured at overseas facilities has expanded our footprint in key international textile hubs over the past three years.

Exploration into emerging high-growth products, particularly in hygiene and drilling specialties, positions Fineotex to engage effectively with India's leading detergent manufacturers and premier oil and gas companies. Accreditation from NABL, India's premier laboratory assessment body, and pharmaceutical FDA approval validate our dedication to quality and regulatory standards. ICRA's recent upgrade of our ratings reflects our financial strength and strong performance.

These achievements affirm Fineotex Chemical Limited's strategic direction and commitment to delivering value and driving sustainable growth.

Fineotex's Commitment to Sustainable Operations and Innovation

The year 2023 marks another pivotal moment for Fineotex as we continue to advance our capacity and capabilities. With an annual production capacity of 104,000 tonnes, we are strategically positioned to capture growth opportunities, expanding our client base and product offerings to swiftly meet evolving market needs.

Our achievements this year have garnered industry-wide recognition. As we celebrate 12 years of being listed on the Indian stock market, Fineotex Chemical is proud to have maintained our 'Great Place to Work' certification for the third consecutive year, underscoring our commitment to a positive and productive work environment. Accolades such as the US Environmental Protection Agency (EPA) certification, the Women at Work Leadership Award, and the ESG badge from Dun & Bradstreet further validate our dedication to quality, distinction, and adherence to environmental, social, and governance considerations.

Fineotex Chemical's extensive product range, comprising over 470 diverse items, continues to expand through strategic partnerships. Collaborations with HealthGuard Australia and EuroDye CTC Belgium have enhanced our product portfolio, enabling us to deliver comprehensive and innovative solutions to our customers. The market has recognized the superior quality of our specially developed silicone functional range, which includes epoxy, hydrophilic, and color enhancement finishes. We are continuously introducing new products in specialty chemicals for textiles and other sectors, exploring untapped territories to expand our market reach, and providing advanced technical solutions and value-added services.

With a robust global presence in approximately 70 countries and a strong network of over 110 dealers, Fineotex remains committed to delivering exceptional products and services both domestically and internationally. Exports constitute 22% of our revenue, reflecting our dedication to providing outstanding solutions to a global clientele.

Recognizing the increasing importance of sustainability in the textile chemicals sector, Fineotex leads the way in promoting sustainable practices. We comply with stringent statutory requirements to ensure 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 also commissioned a 100-kilowatt peak solar power plant at our Ambarnath facility,

demonstrating our commitment to renewable energy and reducing our carbon footprint.

Our commitment to sustainability is demonstrated through our efforts to reduce overall water and energy consumption, driving efficiency, lowering costs, and promoting environmentally friendly practices. By adopting processes that minimize air and water pollution, reduce waste from production and packaging, and address transport-related emissions, we actively contribute to a cleaner and safer environment.

Fineotex Chemical is dedicated to innovation in our quest for a sustainable future. We develop next-generation chemistry that conserves power, energy, and process time on existing production lines. Our continuous efforts to improve and innovate aim to create more sustainable and efficient processes.

Our dedication to sustainability and innovation is exemplified by our recent developments in the textile business division. In FY2023, we made significant strides in new product development, introducing an advanced low cyclic sustainable silicone product range with potential applications in various countries. This success is attributed to our partnerships with globally renowned brands. Our R&D team has achieved remarkable progress in creating a new finishing range while reducing silicone dosage. Additionally, the production process minimizes packing material waste and transportation emissions, offering significant advantages over existing products.

We have also expanded our operations by developing a resin finish product line tailored for European and American retail buying houses. This product line has been successfully supplied to prominent textile industries throughout India, meeting with great success.

Furthermore, our dedication to innovation is evident in the development of EuroDye CTC dyeing auxiliaries, which have been successfully launched and adopted by numerous customers. The positive market reception and customer feedback underscore the value and quality of EuroDye CTC dyeing auxiliaries in enhancing the dyeing process.

Fineotex Chemical remains steadfast in our commitment to sustainability and innovation. Our mission is to provide exceptional products and services while fulfilling our responsibility to the environment and society. As we progress, we are determined to make a positive impact, foster sustainability, and contribute to a cleaner and more sustainable world for future generations.

The SWOT Analysis

Strength

Fineotex Chemical stands as a leading entity in the specialty chemicals sector in India, owing to its strong market presence and a diverse product portfolio that includes textile chemicals, polymers, and enzymes. This diversity enables Fineotex to serve multiple industries, mitigating the risks associated with dependence on a single sector. The company has established a wide distribution network and cultivated a broad customer base both domestically and internationally. Fineotex's financial stability and consistent revenue growth are underpinned by its strategic market positioning and effective management team, which has a track record of driving the company's growth through strategic initiatives and innovative solutions.

Weakness

The specialty chemicals industry is characterized by rapid technological advancements and shifting customer preferences, which can lead to the obsolescence of products and processes. Fineotex Chemical faces the challenge of continually innovating to stay ahead of market trends. Despite the company's efforts to counter this through strategic alliances and collaborations with leading research institutions and industry partners, maintaining the pace of innovation requires significant ongoing investment in research and development. Additionally, the company's exposure to fluctuations in raw material prices can impact production costs and profit margins.

Opportunities

Fineotex Chemical is well-positioned to capitalize on the growing global demand for specialty chemicals. Expanding its presence in international markets presents significant growth potential. The increasing focus on sustainability and environmentally friendly products offers an opportunity for Fineotex to lead in the development of green chemical solutions. By investing in innovative and sustainable technologies, the company can enhance its product offerings and appeal to a broader customer base. Furthermore, exploring new applications for its existing products can open additional revenue streams and strengthen its market position.

Threats

Fineotex Chemical is exposed to various external threats, including economic volatility and geopolitical uncertainties. Economic downturns can adversely affect the demand for specialty chemicals, leading to reduced sales and revenue. Geopolitical tensions and trade barriers can disrupt supply chains and affect international operations. Additionally, stringent environmental regulations and compliance requirements in different regions can pose operational challenges and increase costs. The company must navigate these external factors with strategic foresight and adaptability to mitigate potential adverse impacts on its business operations.

Outlook

India's economy is poised for continued growth, driven by resilient domestic demand, significant investment activity, and increasing private consumption. These factors, combined with India's extensive consumer base and competitive labour costs, make the country an attractive destination for global brands and trading partners. According to the International Monetary Fund, India is expected to grow by 7.8% in FY 2023-24, reflecting its strong economic fundamentals and investor confidence. Despite global economic challenges, India's outlook remains positive, highlighting its potential for sustained development and investment opportunities.

The Indian Home Care market, is valued at INR 37,000 Crores in 2023 and is projected to grow at a CAGR of over 5% over the next five years. With per capita annual detergent consumption of 2.7-3 Kg, still below that of developed countries, there is substantial room for growth. Factors such as rapid urbanization, the rise of nuclear families, and increasing disposable incomes are driving demand for higher quality and premium products.

At Fineotex, we are strategically positioned to leverage these market opportunities by continuously evolving our product portfolio to meet the changing needs of consumers. We remain committed to strengthening our leadership position by investing in advanced technology, expanding our infrastructure, enhancing our manufacturing capabilities, and focusing on product development and market expansion. Our forward-looking approach ensures we are prepared to address future challenges and capitalize on growth opportunities, delivering sustained value and excellence for our stakeholders.

Production

During the FY 2023-24, the company achieved remarkable progress in production and sales. The increase in production reflected a significant growth of 21.30% compared to the previous year’s production of 55,702 MT. Similarly, the sales volume witnessed a substantial increase, marking a growth rate of 22.36% compared to the previous year’s sales of 55,265 MT.

Particulars	2023-2024	2022-2023	Increase/ decrease
Production MT	67,565	55,702	21.30%
Sales MT	67,620	55,265	22.36%
Income from Operation (Rs. In Lakhs)	56,897	51,700	10.05%

The above mentioned Production and Sales details are pertaining to the consolidated performance of the Company.

This performance translated into improved financial results, as evidenced by the income from operations, which amounted to Rs. 41,893 Lakhs. This represents a notable increase of 41.75% compared to the previous year’s income of Rs. 29,555 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 FY2024 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 FY2024 increased to Rs. 12,102 lakhs from Rs. 8,955 lakhs, registering a growth of 35.14%. Income from Operations reached Rs. 56,897 lakhs, reflecting an impressive year-on-year growth of 10.05%. Similarly, EBITDA amounted to Rs. 14,838 lakhs, marking a remarkable growth rate of 31.79%

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	2023-2024	2022-2023	Increase %
Income from Operations	41,892.82	29,555	41.75%
Profit before Tax	14,055.00	6,771	107.58%
Profit after Tax	11,063.00	5,202	112.67%
EPS (FV Rs. 2/ Share) (Rs)	9.99	4.70	

Increase due to expansion and diversification.

Cash/ Fund management:

Particulars	2023-2024	2022-2023	Increase/ decrease	Comments
Cash from Operating activities	6,860	6,629	231	Effective working capital management, increased sales, and revenue generation
Cash from Investing activities	-1,106	-6,858	5,752	Profit earned saved for future growth
Cash from Financing activities	-2,285	-500	-2,785	Dividend paid during the year
Net Cash Flow for the Year	3,469	-729	4,198	

2. Consolidated

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

(Rs. in lakhs)

Company	2023-2024	2022-2023	Increase %	Comments
Fineotex Chemical Limited	41,893	29,555	41.75%	Growth and Portfolio diversification
Fineotex Malaysia Limited	8,292	7,545	9.90%	
Fineotex Biotex HealthGuard FZE	191	27	607.41%	
Fineotex Specialities Private Limited	7,923	16,218	51.15%	
Manya Manufacturing India Private Limited	-	-		

Company	2023-2024	2022-2023	Increase %	Comments
Finoclean Specilities Pvt Ltd	2.00	-		
Elimination and adjustments	-1,404	-1,645		
Total Group Turnover	56,897	51,700		

Operations:

Particulars	2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)	Increase %
Income from Operations	56,897	51,700	10.05%
Profit before Tax	15,757	11,480	37.26%
Profit after Tax	12,102	8,955	35.14%
EPS (FV Rs. 2/ Share) (Rs)	10.82	7.97	35.76%

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

Cash/ Fund management:

Particulars	2023-2024	2022-2023	Increase	Comments
Cash from Operating activities	9,738	10,728	-990	The company having an effective cash utilization, which fulfilling the working capital requirements
Cash from Investing activities	-4,685	-10,184	5,499	
Cash from Financing activities	-2,391	-644	-3,035	
Effect of Foreign Exchange differences	-59	237	-296	
Net Cash Flow for the Year	2,603	136	2,467	

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:

	2023-2024	2022-2023	Variance
Current Ratio	3.09	2.96	4.39%
Inventory Turnover Ratio	11.18	6.86	62.97%
Debtors Turnover Ratio	4.61	3.97	16.12%
Creditors Turnover Ratio	5.81	4.15	40%

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

Profitability performances

	2023-2024	2022-2023	Variance
Return on Equity	35.25%	21.17%	66.51%
Net Profit Ratio	26.41%	17.60%	50.06%
Return on Capital Employed	38.56%	24.49%	57.45%

ROC and ROE were 38.56% and 35.25% respectively, underscoring the success of strategic initiatives and efficient capital allocation.

Long Term Financing	2023-2024	2022-2023	Variance
Debt Equity Ratio	0.01	0.03	-66.67%
Debt Service Coverage Ratio	143.00	97.48	46.70%

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 and risk management system are structured and implemented in accordance to the principles and criteria established in the guidance of the Audit Committee of the Board of Directors of the company. It is an integral part of the general organizational structure of the Company and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees. The control and risk committee and the head of the audit department work under the supervision of the Board-appointed Statutory Auditors.

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 recommendatory 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 274 employees out of which 205 are permanent employees and 69 are contract worker at the year end. From the total permanent employees over 19.51% are women.

We consider the employees as our most valuable 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'.

Fineotex believe in expanding by attracting, retaining, and cultivating new people. Given that the Company's main values include innovation, the business prioritises employee empowerment and retention. To maintain the Company's relevance in the crowded market, it has

implemented a number of measures to improve teamwork and skills, such as keep improving the company's talent pipeline.

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.

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 energy consumption and reduce energy costs. The company also installed and commissioned the solar panel to optimize the energy consumption.
- (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	2023-2024	2022-2023
1. Electricity			
	Purchased Units (Nos)	4,48,510	4,53,106
	Total Cost (Rs. In Lakhs)	49.26	54.06
	Rate / Unit (Rs.)	10.98	11.93
2. Diesel Oil			
	Quantity (K.Ltrs)	3003.93	6,284.38
	Total Cost (Rs. In Lakhs)	2.84	5.89
	Average rate per K Ltr. (Rs.)	94.61	93.72

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	2023-2024	2022-2023
(a)	Total Foreign Exchange earned	6021.65	6358.51
	i. Sales – Export	5089.31	5907.47
	ii. Dividend	929.99	445.69
	iii. Commission Received	-	-
	iv. Other	2.35	5.35
(b)	Total Foreign Exchange used	5944.37	5289.93
	i. Commission	438.17	235.44
	ii. Travelling & Exhibition	119.68	89.88
	iii. Import	5291.76	4873.00
	iv. Salary	-	-
	v. Professional Fees	67.94	42.16
	vi. Freight Charges	-	-
	vi. Membership	18.81	9.14
	vii. Advertisement	3.48	3.26
	viii. Exhibition Expenses	4.53	37.04

For and on behalf of the Board of Directors of
Fineotex Chemical Limited

Sd/-

Surendrakumar Tibrewala
Chairman & Managing Director
DIN: 00218394

Place: Mumbai
Date: August 09, 2024

“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

For and on behalf of the Board of Directors of
Fineotex Chemical Limited

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

Place: Mumbai
Date: August 09, 2024

“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 2023-24.

S. No	Name of Directors/KMP	Designation	Ratio of Remuneration of each Director/KMP to Median Remuneration of Employee	% increase in Remuneration
1.	Mr. Surendrakumar Tibrewala	Chairman and Managing Director	27.19:1	5.29%
2.	Mr. Sanjay Tibrewala	Executive Director & CFO	27.19:1	5.29%
3.	Mrs. Aarti Jhunjhunwala	Executive Director	16.25:1	9.17%
4.	Mr. Sunny Parmar	Company Secretary & Compliance Officer	1.70:1	46.67%

Notes:

- Apart from sitting fees no other remuneration has been paid to the Non-Executive Independent Directors.
- During the year Mr. Surendrakumar Tibrewala, Chairman & Managing Director of the Company was paid a remuneration of Rs. 119.40 Lakhs and Mr. Sanjay Tibrewala, Executive Director & CFO of the Company was paid a remuneration of Rs. 119.40 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.
- There were 205 permanent employees on the rolls of Company as on March 31, 2024 including executive directors.
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 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 16,569 options. The total number of options outstanding as on March 31, 2024 are 33,878 options.
- 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.
- The market capitalization has increased from Rs. 2,58,155 Lakhs on March 31st, 2023 to Rs. 4,07,559.78 Lakhs as on March 31st, 2024. 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.3684.5 as on March 31, 2024
- 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 of directors of
Fineotex Chemical Limited**

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

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

Place: Mumbai
Date : August 09, 2024

FINEOTEX CHEMICAL LIMITED

“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, 2024

Name of Entity	Relation	Amount Given (Rs. in Lakhs)	Amount received (Rs. in Lakhs)	Balance on 31.03.2024 (Rs. in Lakhs)	Particulars
Manya Manufacturing India Private Limited	Wholly Owned Subsidiary	0	0	116.34	Lease Deposit
FSPL Specialities Private Limited	Wholly Owned Subsidiary	56.55	62.34	0	Advance
FSPL Specialities Private Limited	Wholly Owned Subsidiary	1000	0	0	Guarantee
Finoclean Specialities Private Limited	Wholly Owned Subsidiary	3.06	3.06	0	Advance
Equity Shares	Own	100	99.99	0	Investments
Mutual Funds	Own	17426.65	10751.85	13714.36	Investments
Guarantees	Own	343.23	0	455.88	For Suppliers / Customers

**For and on behalf of the Board of Directors of
Fineotex Chemical Limited**

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

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

Place: Mumbai
Date : August 09, 2024

“Annexure - 6”

FORM AOC - 2

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

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

1. Details of contracts or arrangements or transactions not at arm’s length basis;

Sr No.	Name(s) of The Related Party And nature of relationship	Nature of Contracts/ Arrangements/ transactions	Duration of Contracts/ Arrangements/ transactions	Salient Terms of contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transaction	Date of Approval by the Board	Amount paid as advances if any,	Date on which the ordinary resolution was passed in general meeting as required under the first proviso to section 188
NIL								

2. Details of material contracts or arrangements or transactions at arm’s length basis *

(Rs in lakhs)

Sr. No.	Name(s) of The Related Party And nature of relationship	Nature of Contracts / Arrangements / transactions	Duration of Contracts / Arrangements / transactions	Salient Terms of contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
NIL						

Note: The above disclosures on material transactions are based on the principle that transactions with wholly owned subsidiaries are exempt for the purpose of Section 188 (1) of the Companies Act, 2013. Further, the Company has received an Omnibus Approval from the Audit committee meeting held on 27th January 2023 for all the transactions with the related parties which are repetitive in nature. The nature of contracts/ arrangements/transactions entered into with the related parties are at arm’s length and in the ordinary course of business.

**For and on behalf of the Board of Directors of
Fineotex Chemical Limited**

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

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

Place: Mumbai
Date : August 09, 2024

“Annexure - 7”

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

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 2024, 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. 4846.08 Lakhs**

(b)	2% of the average net profit of the company as per Section 135(5)	Rs. 96.92 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. 25.18 Lakhs
(e)	Total CSR Obligation for the financial year (b+c-d)	Rs. 71.74 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) = **Rs. 73.50 Lakhs****
 (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. 73.50 Lakhs****
 (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. 73.50 Lakhs**	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. 25.18 Lakhs.**

(f) Excess Amount for set off, if any

Sr. No.	Particulars	Amount (in Rs.) In Lakhs
(i)	2% of the average net profit of the company as per Section 135(5)	96.92
(ii)	Total Amount Spent for the Financial year	98.68**
(iii)	Excess amount spent for the financial year[(ii)-(i)]	1.76
(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)]	1.76

**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. 25.18 Lakhs.

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

1	2	3	4	5	6		7	8
Sr. 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**

**For and on behalf of the Board of Directors of
Fineotex Chemical Limited**

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

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

Place: Mumbai
Date : August 09, 2024

“Annexure - 8”
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

*[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, 2024, 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 2024, 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 (Issue of Capital & Disclosure Requirements) Regulations, 2018;
 - f. 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. The Company in its 20th Annual General Meeting held on Friday; 15th September, 2023 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, 2024.
 - b) 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.
2. Company approved the final Dividend during the Annual General Meeting of Rs.0.80 (Eighty Paise) per equity share of Rs. 2/- each. Board transferred 59 (Fifty Nine) Equity Shares and Rs.22,556/- (Rupees Twenty Two Thousand Five Hundred and Fifty Six Only) as unpaid and unclaimed dividend to IEPF authority for the financial year ended 2015-2016 pursuant to section 124(5) of the Companies Act, 2013 read with applicable rules made thereunder. Board of Directors also transferred Rs. 1,287.20/- (Rupees One Thousand Two Hundred and Eighty Seven Twenty 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.
3. The Company has obtained revised Credit Rating from ICRA (ICRA A) to ICRA A+ (Stable) for long term bank facilities and (ICRA A1) to ICRA A1+ for short term facilities.
4. Nomination & Remuneration Committee recommended vesting of 16,569 (Sixteen Thousand Five Hundred and Sixty-Nine) options to eligible employees. Also, Nomination & Remuneration Committee vide its resolution passed through by circulation on 23rd December, 2023 has allotted 16,569 (Sixteen Thousand Five Hundred and Sixty-Nine) Equity Shares of face value of Rs. 2/- each to the eligible employees pursuant to exercise of stock options granted under the Fineotex Chemical Limited - Employee Stock Option Plan 2020 ("FCL-ESOP 2020").
5. During the reporting period, Board incorporated Finoclean Specialities Private Limited on 30th December, 2023 a Wholly owned Indian Subsidiary Company.
6. Board declared and paid Interim dividend of Rs. 1.20 (Rupees One Rupees Twenty paise Only) i.e 60% per equity share of Rs. 2 (Rupees Two) for the Financial Year 2023-24 which was in compliance with the provisions of Section 123 of the Companies Act, 2013 read with Rule 3 of the Companies (Declaration and Payment of Dividend) Rules, 2014.
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. The Company in its Extra-Ordinary General Meeting held on 9th March, 2024 passed following resolutions:
 - a) Passed Special Resolution pursuant to Section 23, 42, 62(1)(c) and other applicable provisions of the Companies Act, 2013 read with rules 13 of the Companies (Share Capital & Debentures) Rules, 2014 & Rule 14 of the Companies (Prospectus & Allotment of Securities) Rules, 2014 and other applicable provision read with applicable provisions of SEBI (ICDR) Regulations, 2018 for issuing 42,00,600 (Forty Two Lakhs and Six Hundred) Share Warrants ("Warrants") each Warrant convertible into 1 (one) Equity Share of the Face Value of Rs. 2/- (Rupees Two Only) each on a preferential basis, for cash, at an issue price of Rs. 346/- (Three Hundred and Forty-Six Only) including premium of Rs. 344/- (Rupees Three Hundred and Forty-Four Only) each per Warrant to public category of shareholders on preferential basis. However as on the date of this report, Pursuant to the In-principal received from BSE, NSE and shareholders' approval, the Fund Raising Committee of the Board of Directors in its meeting held on 22nd May, 2024 have allotted 9,70,000 (Nine Lakhs Seventy Thousand) Equity Shares having a face value of Rs. 2/- each at a price of Rs. 346/- (Rupees Three Hundred and Forty-Six only) per share aggregating to Rs. 33,56,20,000 (Rupees Thirty-Three Crore Fifty-Six Lakhs Twenty Thousand Only) on preferential basis to the persons/entities belonging to Non-Promoter Category.

- b) Passed Special Resolution pursuant to Section 23, 42, 62(1)(c) and other applicable provisions of the Companies Act, 2013 read with rules 13 of the Companies (Share Capital & Debentures) Rules, 2014 & Rule 14 of the Companies (Prospectus & Allotment of Securities) Rules, 2014 and other applicable provision read with applicable provisions of SEBI (ICDR) Regulations, 2018 for issuing 39,02,000 (Thirty-Nine Lakhs Two Thousand) Equity Shares of the Face Value of Rs. 2/- (Rupees Two Only) each on a preferential basis, for cash, at an issue price of Rs. 346/- (Three Hundred and Forty-Six Only) including premium of Rs. 344/- (Rupees Three Hundred and Forty-Four Only) each per Warrant to public category of shareholders on preferential basis. However as on the date of this report, Pursuant to the In-principal received from BSE, NSE and shareholders' approval, the Fund Raising Committee of the Board of Directors in its meeting held on 22nd May, 2024 have allotted 26,26,600 (Twenty-Six lakh Twenty-Six Thousand and Six Hundred) Convertible Warrants at a price of Rs. 346/- (Rupees Three Hundred and Forty-Six only) (including the Warrant Subscription Price of Rs. 86.50/- and the warrant exercise price of Rs. 259.50/-) each ("Warrant Issue Price"), aggregating up to Rs. 90,88,03,600/- (Rupees Ninety Crore Eighty-Eight lakhs and Three Thousand Six Hundred Only) ("Total Issue Size") on preferential basis to the persons/entities belonging to Promoter and Non-Promoter Category

For HSPN & Associates LLP
Company Secretaries

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

Date: 09th August, 2024
Place: Mumbai

ICSI UDIN: F002827F000940852
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: 09th August, 2024
Place: Mumbai

ICSI UDIN: F002827F000940852
Peer Review No: 2507/2022

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

*[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,

FSPL SPECIALITIES PRIVATE LIMITED (Formerly known as Fineotex Specialities Private Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **FSPL SPECIALITIES PRIVATE LIMITED (Formerly known as Fineotex Specialities Private 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, 2024, 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 2024, to the extent applicable provisions of:

- i. The Companies Act, 2013 ("The Act") the applicable and effective amendments and the Rules made thereunder;
- ii. 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;

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and
- b. Water (Prevention and Control of Pollution) Act, 1974 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 as issued and revised by The Institute of Company Secretaries of India with effect from October 1st, 2017.

During the period under review the company has in general complied with the provisions of the Act, Rules, Regulations, and Guidelines, mentioned above

We further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Independent Directors. The changes that took place in the Composition of the Board of Directors during the year are as under;

- (i) Board in its meeting held on 20th May, 2023 appointed Dr. Sunil Waghmare (DIN:08906042) as Additional Non-Executive Independent Director of the Company w.e.f 20th May, 2023 pursuant to regulation 24(1) of SEBI (LODR) Regulations, 2015 as the said Company is a material subsidiary of Listed Holding Company and also his appointment was regularised by passing a Ordinary Resolution in the Annual General Meeting held on 13th September, 2023.

Adequate Notice was 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 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. The Company in its Extra-Ordinary General Meeting held on 20th July, 2023 passed special resolution as per section 13, 14 & other applicable provisions of the Companies Act, 2013 subject to approval of Registrar of Companies (ROC), Mumbai and subsequent modifications to AOA and MOA for change in name of the Company from "Fineotex Specialities Private Limited" to "FSPL Specialities Private Limited" as per Certificate of Incorporation pursuant to change of name of ROC, Mumbai dated 14th August, 2023.

2. Company in its 3rd Annual General Meeting held on 13th September, 2023 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 M/s. V. J. Talati & Co, Cost Accountant (FRN: R00213) for the financial year ended March 31, 2024.
 - b) Passed ordinary resolutions for appointment of Dr. Sunil Waghmare (DIN:08906042) as Independent Director of the Company pursuant to Section 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 24(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a term of period of 5 years upto 19th May, 2028.
3. The Company was required to spend an amount of Rs. 35.70 lakhs (Gross Amount) (Thirty Five Lakhs Seventy Thousand) during the financial year 2023-2024, out of which an amount of Rs. 7.03 lakhs (Seven Lakhs Three Thousand) was set-off i.e., excess amount spent towards CSR activities during the previous financial year 2022-2023. The net amount required to be spent / allocated towards CSR projects / activities during the financial year 2023-24 was Rs. 28.67 lakhs (Twenty Eight Lakhs Sixty Seven Thousand). Further, the Company spent an amount of Rs. 15.00 lakhs (Fifteen Lakhs) towards CSR activities and transferred Rs. 13.67 lakhs (Thirteen Lakhs Sixty Seven Thousand) to unspent CSR account on 23rd April, 2024 as per Rule 7 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

For HSPN & Associates LLP
Company Secretaries

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

Date: 09th August, 2024
Place: Mumbai

ICSI UDIN: F002827F000940984
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,
FSPL SPECIALITIES PRIVATE LIMITED (Formerly known as Fineotex Specialities Private Limited).

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.
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4. 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.
5. 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: 09th August, 2024
Place: Mumbai

ICSI UDIN: F002827F000940984
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, 2024 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 2024, 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 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.

FINEOTEX CHEMICAL LIMITED

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	5	Yes	Nil	-	-	Father of Mr. Sanjay Tibrewala and Mrs. Aarti Jhunjhunwala
Mr. Sanjay Tibrewala (DIN 00218525)	Executive Director (Promoter)	34,34,990 [^]	5	Yes	Nil	-	2	Son of Mr. Surendrakumar Tibrewala and Brother of Mrs. Aarti Jhunjhunwala
Mrs. Aarti Jhunjhunwala (DIN 07759722)	Executive Director (Promoter)	81,050	5	Yes	Nil	-	-	Daughter of Mr. Surendrakumar Tibrewala and Sister of Mr. Sanjay Tibrewala
Mr. Alok Dhanuka (DIN 06491610)	Non – Executive Independent Director	NIL	4	Yes	Nil	1	1	-
Mr. Navin Mittal (DIN 03555295)	Non – Executive Independent Director	NIL	4	Yes	Nil	-	-	-
CS (Mrs.) Bindu Darshan* (DIN 07131459)	Non – Executive Independent Director	NIL	5	Yes	Kamadgiri Fashion Limited (KFL) #JBF Industries Limited #A. K. Capital Finance Limited	2	2	-
Dr. Sunil Waghmare (DIN 08906042)	Non - Executive Independent Director	NIL	5	No	Nil	-	-	-

*Woman Independent Director

+ 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 A. K. Capital Finance Limited with effect from 28th March 2024. The board of JBF Industries Limited has been suspended and taken over by Insolvency Resolution Professional (IRP), Mrs. Bindu Shah has resigned from the Directorship but due to company under insolvency procedure Form DIR-12 cannot be filed. Further, Mrs. Bindu Shah is been appointed as director in the Private Limited company viz. Family Home Finance Limited w.e.f. 07th September 2023.

[^] The Company has issued 1300600 share warrants at in the meeting of the Board of Directors held on 16th February 2024 which was approved by the member at their EGM held on 09th March 2024. Therefore the shares held by Mr. Sanjay Tibrewala shall be locked-in in compliance with the provision mentioned under Chapter V of the ICDR Regulations from time to time.

During the Financial Year 2023-24, there is no inter-se relation among the Directors of the Company except mentioned above.

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 23 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 2023-24, the Board met 5 (Five) times. The maximum gap between two Board Meetings held during the year was not more than 120 days, except the meeting held on shorter notice on 16th February 2024. The meeting attendance by each Director are given below:

Type of Meeting	Board	Board	Board	Board	Board	AGM
Director’s Name / Date of Meeting	20/05/2023	04/08/2023	09/11/2023	14/02/2024	16/02/2024	15/09/2023
Mr. Surendrakumar Tibrewala	P	P	P	P	P	P
Mr. Sanjay Tibrewala	P	P	P	P	P	P
Mr. Navin Mittal	P	A	P	P	P	P
Mr. Alok Dhanuka	P	P	P	P	A	P
Mrs. Aarti Jhunjhunwala	P	P	P	P	P	P
CS (Mrs) Bindu Darshan Shah	P	P	P	P	P	P
Dr. Sunil Vasant Waghmare	P	P	P	P	P	A

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 2023-24, 1 (One) separate meeting of Independent Directors was held on February 14th, 2024 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.

Formal Letter of Appointment to the Independent Directors

No Independent Directors were appointed/ re-appointed during the financial year 2023-24. The Company has issued appointment/ re-appointment letters as per provisions of Schedule IV of the Act to the Independent Directors on their appointment/re-appointment containing the detailed terms and conditions of their appointment/re-appointment, role, duties and liabilities, evaluation process, code of conduct, etc. The letter of appointment/ re-appointment issued to the Independent Directors has been posted on the Company’s website at www.fineotex.com

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.

Familiarization Programme for Independent Directors

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2023-24, 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 familiarization programme are available on the website of the Company at <https://fineotex.com/wp-content/uploads/2024/02/FCL-Familiarization-Programme-2023-24.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 as "Annexure - A" 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/investor-relation/>

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 appointment/re-appointment at the 21st Annual General Meeting

As required under Regulation 36(3) of SEBI Listing Regulations, the Company has furnished Appointment/Re-appointment information relating to the Director retiring by rotation and seeking re-appointment in the Notice convening the 21st AGM along with the brief profile of the Director liable to retire by rotation. The shareholders may refer to the notice of 21st 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) **Strategy and strategic planning:** Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.
- 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) **Risk and compliance oversight:** Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks.
- 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	Strategy and strategic planning	Production	International Business Understanding	Financial Analysis	Risk and compliance oversight	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. Committees of Board

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 Board of the Company has constituted a qualified and independent 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 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 Audit Committee met 4 (Four) times during the year i.e., 20th May 2023, 04th August 2023, 09th November 2023 and 14th February 2024. The Committee in its meetings inter alia reviews the results of operation and the statement of related party transactions submitted by management.

The composition of the Audit Committee and the details of meetings attended by each of the members are given below:

Sr. No.	Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
1	Mrs. Bindu Shah	Chairman, Independent Director	4	4
2	Mr. Alok Dhanuka	Member, Independent Director	4	4
3	Mr. Sanjay Tibrewala	Member, Executive Director & CFO	4	4

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:

- Oversight of financial reporting process and disclosure of its financial information.
- Reviewing with the management, the annual financial statements, quarterly financial statements, auditors' report/ limited review report.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Recommendation for appointment, remuneration and term of appointment of auditors.
- Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of

proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

7. Scrutiny of inter-corporate loans and investments.
8. Evaluation of internal financial controls and risk management systems.
9. Reviewing with the management, performance of statutory auditors and internal auditors, adequacy of internal control systems.
10. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
11. Reviewing the functioning of the whistle blower mechanism.
12. Reviewing the statement of significant related party transactions.
13. Reviewing the internal audit reports
14. Valuation of undertakings or assets of the Company, wherever it is necessary.
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
16. Discussion with internal auditors of any significant findings and follow up there on.
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
20. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
21. Reviewing the utilization of loans/and or advances from/ investment by the holding Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date of coming into force of this provision.
22. Review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015, at least once in a financial year and shall verify that the systems of Internal Control are adequate and operating effectively.

23. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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 i.e., on 20th May 2023, 09th November 2023 and 14th February 2024. The details of meetings attended by each of the members are given below:

Sr. No.	Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
1	Mrs. Bindu Shah	Chairman, Independent Director	3	3
2	Mr. Alok Dhanuka	Member, Independent Director	3	3
3	Mr. Navin Mittal	Member, Independent Director	3	3

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.

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 in the Company's website at <https://fineotex.com/wp-content/uploads/2021/08/Nomination-and-Remuneration-Policy.pdf>

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 i.e., on 14th February 2024.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by each of the members are given below:

Sr. No.	Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
1	Mr. Alok Dhanuka	Chairman, Independent Director	1	1
2	Mrs. Bindu Shah	Member, Independent Director	1	1
3	Mr. Sanjay Tibrewala	Member, Executive Director	1	1

Terms of reference:

- 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.
- To review measures taken for effective exercise of voting rights by shareholders
- 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
- 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
- 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
- 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 2023-24 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, 2024.

Category	No. of Complaint (s) Pending (Begin)	No. of Complaint (s) Received	No. of Complaint (s) Resolved	No. of Complaint (s) Pending
SEBI (SCORES)	0	0	0	0
BSE	0	0	0	0
ODR	0	0	0	0

Category	No. of Complaint (s) Pending (Begin)	No. of Complaint (s) Received	No. of Complaint (s) Resolved	No. of Complaint (s) Pending
NSE	0	0	0	0
MCA	0	0	0	0
Depository	0	0	0	0
Others	0	0	0	0
Total	0	0	0	0

No share transfers/transmissions/issue of duplicate share certificates was pending as on 31st March, 2024.

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 2023-24, the Committee met 2 (Two) times on 20th May 2023 and 14th February 2024. The CSR Policy of the Company is available 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:

Sr. No.	Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
1	Mr. Surendrakumar Tibrewala	Chairman, CMD	2	2
2	Mrs. Bindu Shah	Member, Independent Director	2	2
3	Mr. Sanjay Tibrewala	Member, Executive Director	2	2

CMD stands for Chairman and Managing Director of the Company.

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 2023-24 was Rs. 96.92 Lakhs. Further, the Company had spent an excess amount of Rs. 25.17 Lakhs for the financial year 2022-2023

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. 25.17 Lakhs. The Company has spent an amount of Rs. 73.50 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. Recommend to the Board, a CSR Policy (and modifications thereto from time to time) which shall provide an approach and the guiding principles for selection, implementation, and monitoring of CSR activities to be undertaken by the Company;
2. Approve and recommend Annual Action Plan, and any modifications thereof, to the

Board comprising of following information;

- i. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - ii. the manner of execution of such projects or programmes
 - iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes
 - iv. monitoring and reporting mechanism for the projects or programmes; and
 - v. details of need of impact assessment, if any, for the projects undertaken by the company
3. Approve specific projects, either new or ongoing, in pursuance of the Areas of Interest outlined in CSR Policy, either for undertaking such projects by the Company itself, for inclusion in the annual action plan or for supporting such projects by way of contributions or financial assistance
 4. Recommend to the Board, the amount of expenditure to be incurred on the CSR activities in a financial year and the amount to be transferred in case of ongoing projects and unspent amounts;
 5. Review the progress of CSR initiatives undertaken by the Company;
 6. Monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects referred to above;
 7. Review and recommend to the Board, the Annual Report on CSR activities to be included in Board’s Report and certificates submitted by the Chief Financial Officer;

8. Review and recommend to the Board, the impact assessment report obtained by the Company from time to time;
9. Undertake such activities and carry out such functions as may be provided under section 135 of the Act and the Rules.

V) Risk Management Committee

Composition, Meetings and Attendance:

Risk Management is crucial to achieve the Company’s objective of strengthening its financial position, safeguarding the interests of stakeholders, enhancing its ability to continue as a going concern and maintain consistent sustainable growth.

The Company has a Risk Management Committee for framing, implementing, and monitoring the Risk Management Policy of the Company, pursuant to Regulation 21 of SEBI Listing Regulations

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 as the Chairman, Mr Sanjay Tibrewala and Mrs. Bindu Shah as the Members. The Board takes responsibility for the overall process of risk management throughout the organisation.

The Risk Committee periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics.

During the financial year 2023-24, the Risk Management Committee met Two (2) times on 03rd July 2023 and 26th December 2023. The composition of the Risk Management Committee and the details of meetings attended by each of the members are given below:

Sr. No.	Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
1	Mr. Surendrakumar Tibrewala	Chairman & CMD	2	2
2	Mrs. Bindu Shah	Member, Independent Director	2	2
3	Mr. Sanjay Tibrewala	Member, Executive Director	2	2

CMD stands for Chairman and Managing Director of the Company.

Terms of reference:

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

1. To formulate a detailed risk management policy
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
4. To periodically review the risk management policy by considering the changing industry dynamics and evolving complexity
5. To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken
6. 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
7. 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
8. To ensure the implementation of the suggestions/remarks/comments of the Board of Directors on the Risk Management Plan
9. 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.

During the year, the Committee met 1 (One) time i.e., on 14th February 2024.

The composition of the Whistleblowing Committee and the details of meetings attended by each of the members are given below:

Sr. No.	Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
1	Mr. Alok Dhanuka	Chairman, Independent Director	1	1
2	Mrs. Aarti Jhunjunwala	Member, Independent Director	1	1
3	Mr. Surendrakumar Tibrewala	Member , CMD	1	1

CMD stands for Chairman and Managing Director of the Company

Terms of reference:

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

1. 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
2. Ensure that proper procedures are in place for fair and independent investigation of the reported improprieties for appropriate follow-up action
3. Keep all information received, in particular, the identity of the whistleblower and the findings of the investigation report confidential
4. 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.
5. 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 place 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 Jhunjunwala and one lady employee of the Company on the Committee for the purpose of prevention of sexual harassment at workplace.

During the year, the Committee met 1 (One) time i.e., on 14th February 2024.

The composition of the Whistleblowing Committee and the details of meetings attended by each of the members are given below:

Sr. No.	Name of Director	Category	No. of Meetings Held	No. of Meetings Attended
1	Mrs. Aarti Jhunjunwala	Chairman, Executive Director	1	1
2	Mrs. Jyotsna Rathod	Member	1	1
3	Mr. Surendrakumar Tibrewala	Member , CMD	1	1

CMD stands for Chairman and Managing Director of the Company

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 reported by the committee during the period under review.

Terms of reference:

1. 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
2. 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
3. The Committee shall maintain all records relating to Complaints received and their redressal.
4. The Committee shall ensure to maintain high degree of confidentiality with regards to the aggrieved person as well as the respondent
5. The Committee shall organise such number workshops or awareness programme from time to time for educating the employees of the Company in this regard
6. The Committee shall prepare an Annual Report for the year ending 31st 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 2023-24

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 as the Chairman and Mr Sanjay Tibrewala and Mrs. Aarti Jhunjunwala as 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:

1. 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.

2. Approval for availing online banking services
 3. The Committee shall be authorized to appoint Authorised Representative to appear before Court/Police
 4. The Committee shall be authorized to borrow money from bank for working capital or avail credit facilities limits upto Rs. 50 (Fifty) Crore
 5. 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.
 6. The Committee has been authorized for opening/closing of new/existing bank account/escrow account and any alteration in existing bank account
 7. The Committee has been authorized to rent, outlet, acquire, leasing, disposing etc. properties
 8. Providing undertaking/affidavit etc. to various government agencies, statutory bodies, factory authorities, various license departments, customers/suppliers and other authorities/department for business purpose
 9. And to do all the needful as may be necessary or expedient in this regard.
- 4. Senior Management:**

Particulars of senior management of the Company as on 31st March 2024 are as follows:

Name	Designation
Mr. Surendrakumar Tibrewala	Chairman and Managing Director
Mr. Sanjay Tibrewala	Executive Director & CFO
Mrs. Aarti Jhunjunwala	Executive Director
Mr Sunny Parmar	Company Secretary & Compliance Officer

5. Remuneration to Directors

Remuneration Policy:

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

Details of Remuneration paid to the Directors during the financial year ended 31st March, 2024:

(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	73.20	46.20	119.4	-	-	119.4	-
Mr. Sanjay Tibrewala	73.20	46.20	119.4	-	-	119.4	-
Mrs. Aarti Jhunjhunwala	50.40	21.00	71.4	-	-	71.4	-
Independent Directors							
Mr. Alok Dhanuka	-	-	-	-	0.36	0.36	-
Mr. Navin Mittal	-	-	-	-	0.26	0.26	-
Mrs. Bindu Shah	-	-	-	-	0.65	0.65	-
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, As of now, the Company has not paid any performance linked incentives to any executive directors.

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, except the eligible employees 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>

6. 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
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"> 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

Year	Date	Time	Venue	Particulars of Special Resolution(s) passed
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"> 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
2022-23	15-Sept-2023 (20th Annual General Meeting)	5.00 P.M.	Through Video Conference (VC) & Other Audio Video Means (OAVM)	<ul style="list-style-type: none"> Raising of funds through issue of Equity Shares Contract with Related Parties

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

During the Financial Year 2023-2024, Extra-ordinary General Meeting was held on 09th March 2024

Year	Date	Time	Venue	Particulars of Special Resolution(s) passed
2023-24	09th-March 2024 (Extra-Ordinary General Meeting)	3.00 PM	Through Video Conference (VC) & Other Audio Video Means (OAVM)	<ul style="list-style-type: none"> Issue Of 42,00,600 Share Warrants, Convertible Into Equity Shares on Preferential Basis to The Persons Belonging to The Promoter And Non-Promoter Category Issuance Of 39,02,000 Equity Shares on Preferential Basis to The Persons Belonging to The Non-Promoter Category

(c) Postal Ballot

There was no Special Resolution passed through Postal Ballot during the financial year 2023-2024. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

7. 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 <https://fineotex.com/financial-results/>

Newspapers wherein results normally published:

Quarterly, half-yearly, and yearly financial results are generally 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

News releases/Investor Updates and Investor presentations:

The Company regularly uploads general presentation, press release, earning releases of the Company and its business on the website for the benefit of all the stakeholders.

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-presentation/>

Annual Report:

Annual Report is circulated to all the Members within the stipulated period as mentioned under Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In view of the SEBI, the Company has sent Annual Report for the financial year 2023-24 through email to shareholders. The shareholders have been provided e-voting option for the resolutions to be passed at the general meeting to vote as per their convenience.

E-mail ID of the Registrar & Share Transfer Agent:

All the share related requests/queries/ correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agent of the Company, Bigshare Services Pvt Ltd Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai, Maharashtra 400093 or e-mail them at investor@bigshareonline.com

Designated E-mail ID for Complaints/ Redressal:

In compliance with Regulation 46(2) of SEBI Listing Regulations, the Company has designated an e-mail ID investor.relations@fineotex.com exclusively for registering complaints/ grievances by investors. Investors whose requests/queries/correspondence remain unresolved can send their complaints to the Company to resolve the grievances to the above referred e-mail ID.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for

Corporates. Any Corporate Action, inter alia, the Shareholding Pattern, Corporate Governance Report, Financial Results, disclosures with respect to Board Meeting or any other Corporate Action Announcements are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre:

The Listing Centre is a web-based application designed by BSE for Corporates. Any Corporate Action, inter alia, the Shareholding Pattern, Corporate Governance Report, Financial Results, and other intimations are filed electronically on BSE's Listing Centre.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redressal system through SCORES. The Action Taken Reports are uploaded online by the Company for any complaints received on SCORES platform, thereby making it convenient for the investors to view their status online

8. General Shareholder Information

Annual General Meeting:	Tuesday, September 10, 2024 through Video Conferencing /Other Audio Visual Means (VC).				
Financial Year:	April 01, 2023 to March 31, 2024				
Book Closure Date	Wednesday, September 04, 2024 to Tuesday, September 09, 2024 (both days inclusive)				
Dividend Payment Date:	Within 30 Days of declaration and approved by the members				
Listing Details	<table border="1"> <tr> <td>BSE Limited</td> <td>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</td> </tr> <tr> <td>National Stock Exchange of India Limited</td> <td>Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051</td> </tr> </table>	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001				
National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400051				
Annual Listing Fees	The Annual Listing Fees for the year 2023-2024 has been paid to the said Stock Exchanges.				
Stock Code:	National Stock Exchange of India Ltd – FCL BSE Ltd- 533333				
ISIN Number	INE045J01026				
Corporate Identification Number (CIN):	L24100MH2004PLC144295				
Registrar and Share Transfer Agent	Bigshare Services Pvt Ltd Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai, Maharashtra 400093				

Share Transfer System:	Bigshare Services Pvt Ltd, Mumbai, is Registrar & Share Transfer Agent of the Company. The Share Transfer and Share Dematerialization is processed by RTA.												
Distribution of Shareholding & Categorywise Distribution	Refer Table A & B												
Dematerialization of shares and liquidity	<p>The summary of shareholding of the Company being held as on 31st March 2024 is given below:</p> <table border="1"> <tr> <td>Held in Dematerialized form in CDSL</td> <td>1,43,95,334</td> <td>12.99</td> </tr> <tr> <td>Held in Dematerialized form in NSDL</td> <td>9,63,69,505</td> <td>87.00</td> </tr> <tr> <td>Physical</td> <td>150</td> <td>0.01</td> </tr> <tr> <td>Total</td> <td>11,07,64,989</td> <td>100%</td> </tr> </table>	Held in Dematerialized form in CDSL	1,43,95,334	12.99	Held in Dematerialized form in NSDL	9,63,69,505	87.00	Physical	150	0.01	Total	11,07,64,989	100%
Held in Dematerialized form in CDSL	1,43,95,334	12.99											
Held in Dematerialized form in NSDL	9,63,69,505	87.00											
Physical	150	0.01											
Total	11,07,64,989	100%											
Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity	NIL												
Plant Locations:	<p>A. 699 & 700, 684 & 685, 687, 665, 669 TTC Industrial Area, MIDC, Mahape, New Mumbai-400705;</p> <p>B. 24 Additional Ambernath Industrial Area, Ambernath 421506</p>												
Address for Correspondence: RTA	(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												
Address for Correspondence: Company	Mr. Sunny Parmar Company Secretary Fineotex Chemical Limited 42/43, Manorama Chambers, S V Road, Bandra West Mumbai 400050 investor.relations@fineotex.com 022-26559174-75												

i. Market Price Data:

The shares of the Company were traded as under during 2023-2024.

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakh)	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakh)
April 2023	252.35	232.95	968.15	245.88	238.76	400.25
May 2023	310.45	240.2	3970.21	278.17	266.46	1757.49
June 2023	324.5	286.15	3561.98	312.14	302.21	1174.34
July 2023	311.5	265.95	3667.34	296.09	284.82	1181.39
August 2023	325.25	273.5	2776.33	296.28	286.73	1205.38
September 2023	352	295.05	3459.19	332.57	319.44	1984.4
October 2023	337	281.05	2224.36	315.98	305.61	1011.84
November 2023	376.7	292.6	4116.47	329.58	318.32	2380.67
December 2023	392.2	330	4090.96	371.2	356.18	2222.88
January 2024	373.9	317.45	3601.72	349.23	338.29	1078.82
February 2024	458	320.2	11520.47	405.05	383.90	5410.00
March 2024	445.5	334.8	6646.25	389.81	370.36	2655.72

Source: BSE and NSE Website

g. Market Price variation in relation to BSE Sensex during 2023-2024:

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

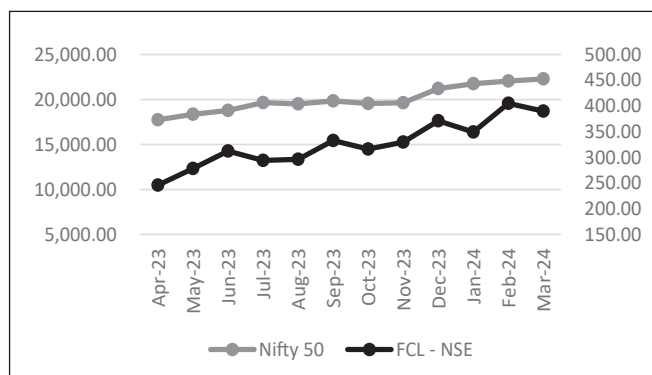
Month	High (Rs.)	Low (Rs.)	BSE Sensex (High)	BSE Sensex (Low)
April 2023	252.35	232.95	60160.56	59704.03
May 2023	310.45	240.2	62131.15	61657.9
June 2023	324.5	286.15	63321.87	62917.96
July 2023	311.5	265.95	66365.36	65830.82
August 2023	325.25	273.5	65665.96	65186.63
September 2023	352	295.05	66659.2	66168.46
October 2023	337	281.05	65599.08	65102.42
November 2023	376.7	292.6	65579.57	65215.13
December 2023	392.2	330	70647.77	70077.52
January 2024	373.9	317.45	72112.25	71349.87
February 2024	458	320.2	72610.59	71888.61
March 2024	445.5	334.8	73507.04	72823.13

h. Market Price variation in relation to NSE Nifty during 2023-2024:

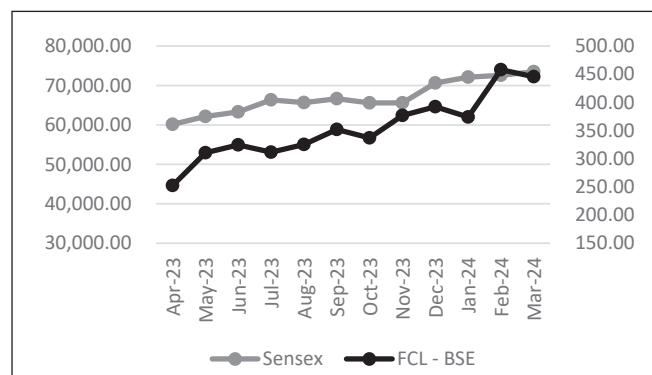
The monthly high and low share prices of the Company in comparison with the NSE Nifty during the year are as under:

Month	High (Rs.)	Low (Rs.)	NSE Nifty (High)	NSE Nifty (Low)
April 2023	245.88	238.76	17753.05	17620.26
May 2023	278.17	266.46	18367.67	18229.46
June 2023	312.13	302.21	18781.22	18664.46
July 2023	294.09	284.82	19657.8	19507.59
August 2023	296.28	286.73	19512.15	19373.17
September 2023	332.57	319.44	19849.37	19703.97
October 2023	315.98	305.60	19564.51	19417.61
November 2023	329.58	318.32	19642.34	19535.81
December 2023	371.2	356.18	21223.46	21050.91
January 2024	349.23	338.29	21750.82	21524.64
February 2024	405.05	383.90	22054.66	21836.18
March 2024	389.81	370.36	22288.54	22074.90

Share Performance of the Company in comparison to Nifty 50



Share Performance of the Company in comparison to BSE Sensex:



A Shareholding Pattern:

The Shareholding Pattern of the Company as on 31st March, 2024 is as follows:

Category	No. of Equity Shares held	% of Shareholding
Promoters (Non Corporate)	6,80,42,027	61.43
Promoters (Corporate)	39,83,000	3.60
Domestic Bodies Corporate	7,19,337	0.65
Foreign Portfolio Investor	16,04,925	1.45
Clearing Members	2,12,117	0.19
Non Resident Indians	12,68,725	1.15
Mutual Funds	41,00,139	3.70
IEPF	1,609	0.00
Domestic DR	5	0.00
Public	3,08,33,105	27.83
Total	11,07,64,989	100

B Distribution of shareholding:

The Distribution of shareholding as on 31st March, 2024 is as follows:

Category (no. of shares)	No. of shareholders	Shares held	% of share holding
1-5000	123317	14653955	13.23
5001-10000	670	2456774	2.13
10001-20000	277	2067814	1.87
20001-30000	92	1128538	1.02
30001-40000	33	585024	0.50
40001-50000	27	607243	0.50
50001-100000	34	1176513	1.06
100001- 100000000	56	88089128	79.53
Total	124506	110764989	100

i. 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 (ICRA A+ Stable) and Short Term Rating (ICRA A1+) Stable to the bank facilities of the Company.

j. 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 2023-2024 are as follows:

Year	Amount of Unclaimed Dividend transferred to IEPF (Rs.)	No. of Shares Trans-ferred to IEPF	No. of shares Claimed from IEPF#
2018-2019	613	449	
2019-2020	5,206	210	
2020-2021	13,305	1,350	
2021-2022	4618.5	Nil	100
2022-2023	11,077	70	
2023-2024*	61400.3	59	429
Total	96219.8	2138	529

#During the financial year 2020–21 the company has received a claim from the shareholder for 100 shares which was transferred to the IEPF account pursuant to the IEPF Rules and based on the e-verification report of the company and RTA, IEPF Authority have transferred such shares into the demat account of the shareholder in the year 2021-22 in compliance with the IEPF Rules. Further, during the financial year 2022–23 the company has received a claim from the shareholder for 429 shares which was transferred to the IEPF account pursuant to the IEPF Rules and based on the e-verification report of the company and RTA, IEPF Authority have transferred such shares into the demat account of the shareholder in the year 2023-24 in compliance with the IEPF Rules.

*During the year company has transferred the unclaimed and unpaid dividend of the financial year 2015-16 and 2016-17 for an amount Rs. 22,556/- and Rs. 38,844.30/- respectively, to the IEPF 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.

9. Material Subsidiary 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.

FSPL Specialties Private Limited is the material subsidiary of the company incorporated dated 05.09.2020 having directors of the company viz. Mr Surendrakumar Tibrewala and Mr. Sanjay Tibrewala. During the FY 2023-24 FSPL Specialties Private Limited was material subsidiary pursuant to Section 16 of SEBI (LODR) Regulations, 2015 (“SEBI Listing Regulations”). Mr. Sunil Waghmare, the Independent Director of the Company, has been appointed as Director of FSPL Specialties Private Limited.

The Board of Directors of the Company regularly reviews the financial statements of the unlisted subsidiary companies. Further, the Audit Committee reviews the financial statements, in particular, the investment made by the unlisted subsidiary companies. The Company has duly formulated a policy for determining Material Subsidiaries. The main objective of the policy is to ensure governance of material subsidiary companies. The Company has also complied with the other provisions of Regulation 24 of the SEBI Listing Regulations with regard to Corporate Governance requirements for subsidiary Company.

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>

10. 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 2023-24 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 31st March 2024.

- 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 were imposed on the 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 2024, 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/Succession-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/2023/04/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-USPI.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

Particulars	Website Details/Links
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
Environment Social and Govern-ance (ESG) Policy	https://fineotex.com/wp-content/uploads/2023/08/ESG-Policy.pdf
Anti-Bribery and Anti-Corruption Policy	https://fineotex.com/wp-content/uploads/2023/08/Anti-Bribery-and-Anti-Corruption-Policy.pdf
Information Security policy	https://fineotex.com/wp-content/uploads/2023/08/Information-Security-Policy.pdf
Human Rights Policy	https://fineotex.com/wp-content/uploads/2023/08/Human-Rights-Policy.pdf
Code of Conduct and Ethics to Stakeholders	https://fineotex.com/wp-content/uploads/2023/08/Policy-on-Code-of-Conduct-for-Stakeholders.pdf

f) Web link where policy on determining ‘material’ subsidiaries is disclosed;

The Company has formulated a policy pursuant to provisions of Chapter IV of SEBI Listing Regulations to determine material subsidiaries. The policy is posted on the website of the Company and the web link for the same is <https://fineotex.com/wp-content/uploads/2022/01/Policy-for-Determining-Material-Subsidiary.pdf>

g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has Raised Fund through Preferential issue of 42,00,600 Share Warrants and Issuance of 39,02,000 Equity Shares which was approved by shareholder in the Extra Ordinary General Meeting (EGM) held on 09th March 2024 in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018,

The funds of preferential issue was received in the FY 2024-25 and therefore the Utilization of Funds will be disclosed in the Next Annual Report.

h) Disclosure of commodity price risks and commodity hedging activities

Disclosure of commodity price risks and commodity hedging activities has been adequately covered under the Management Discussion and Analysis Report

i) 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**”.

j) Declaration of Non-Disqualification or debarment for appointment/continuing as the Director in companies for the financial year 2023-2024:

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 – C**”.

k) 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.

- l) Details of Payment made to Statutory Auditors Recommendation from the Committee to the Board:

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

(Amt in lakhs)

Particulars	FY 2023-24	FY 2022-23
As Auditors (Statutory Audit)	5.50	5.50
For other services (certification)	9.72	8.57
Reimbursement of expenses	NIL	NIL

- m) 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 2023- 24, 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 2023-24 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

- n) 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 **Annexure - 5** of the directors report.

- o) Details of material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Name of material subsidiaries	Date of in-corporation	Place of In-corporation	Name of the Statutory Auditors	Date of appoint-ment of the Statu-tory Auditors
BT Chemical SDN BHD	24/03/2005	Malaysia	S F Chang & Co	30th September 2015
FSPL Specialities Pvt. Ltd	05/09/2020	Mumbai, Maharashtra	ASL & Co.	09th September 2021

- p) 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

- q) 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.

- r) Disclosure of Non-compliance of any requirement of Corporate Governance Report of sub-paras (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-paras (2) to (10) of para C of Schedule –V of SEBI Listing Regulations

- s) 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.

- t) Certificate from Chartered Accountant:

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 - D**”.

**For and on behalf of the Board of Directors of
Fineotex Chemical Limited**

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

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

Place: Mumbai
Date : August 09, 2024

“ANNEXURE – A”

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 2023-2024.

Date: 28th May 2024
Place: Mumbai

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

“ANNEXURE – B”

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. There 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 we are aware and the steps we 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.

**For and on behalf of the Board of Directors of
Fineotex Chemical Limited**

Sanjay Tibrewala
CFO & Executive Director
DIN: 00218525

Aarti Jhunjunwala
Executive Director
DIN: 07759722

Date : 28th May 2024
Place: Mumbai

“ANNEXURE – C”

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 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, 2024 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

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: F002827F000940951
Peer Review No: 2507/2022

Place: Mumbai
Date: 09th August, 2024

“ANNEXURE – D”

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, 2024 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, 2024 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, 2024, 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)

Sd/-
(Shikha Jain)
Partner

Place : Mumbai
Date : May 28, 2024

Membership No.: 136484
UDIN: 24136484BKFSRZ7965

“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 22 26559174/75/76
8.	Website	www.fineotex.com
9.	Financial year for which reporting is being done	April 01, 2023 to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) The National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	Rs. 2215.30 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sunny Parmar Company Secretary & Compliance Officer Telephone Number: 022-26559175 E- mail ID: cs@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)	Standalone Basis
14.	Name of assurance provider	-
15.	Type of assurance obtained	-

II. Products/services

16. 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 and Selling of Chemicals	Manufacturing, Distribution, Sales & Marketing	90%

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

17. 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

18. 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 FY2023-24.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	10
International (No. of Countries)	70

b. What is the contribution of exports as a percentage of the total turnover of the entity- 12.40%

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

IV. Employees

20. 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)	107	80	74.76	27	25.24
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	107	80	74.76	27	25.24
<u>WORKERS</u>						
4.	Permanent (F)	98	85	86.73	13	13.27
5.	Other than Permanent (G)	69	68	98.55	1	1.45
6.	Total workers (F + G)	167	153	91.62	14	8.38

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)					

21. 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

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2024 (Turnover rate)			FY 2023 (Turnover rate)			FY 2022 (Turnover rate)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2	1	3	3	0	3	3	1	4
Permanent Workers	2	0	2	2	1	3	0	1	1

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

23. (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.	FSPL Specialities Pvt. Ltd*	Subsidiary	100	No
2.	Manya Manufacturing India Private Limited	Subsidiary	100	No
3.	Fineotex Malaysia Limited	Subsidiary	100	No
4.	Fineotex Biotex HealthGuard FZE	Subsidiary	100	No
5.	Finoclean Specialities Pvt. Ltd**	Subsidiary	100	No

*During the year name of the Wholly Owned Subsidiary changed from Fineotex Specialities Private Limited to FSPL Specialities private Limited.

**During the year company has incorporated the Wholly Owned Subsidiary i.e. Finoclean Specialities Private Limited.

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No)	Yes
a. Turnover (In ₹)	418.93 Crore
b. Net worth (In ₹)	358.14 Crore

VII. Transparency and Disclosures Compliances

25. 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 2023-24			FY 2022-23		
		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	Yes. www.fineotex.com	0	0	0	0	0	-
Investors (other than shareholders)		0	0	0	0	0	-
Shareholders		0	0	0	0	0	-
Employees and Workers		0	0	0	0	0	-
Customers		0	0	0	0	0	-
Value Chain Partners		0	0	0	0	0	-
Others (Please Specify)		0	0	0	0	0	-

26. 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	-	Positive
2	Sustainable Supply Chain	Opportunity	In today's era of growing environmental awareness, companies are adopting more ethical and sustainable purchasing practices. By procuring goods that are environmentally and socially responsible, companies can not only reduce their impact on the environment but also create a positive brand image.	-	Positive
3	Community Relation and Engagement	Opportunity	Chemical firms are significant economic contributors, offering employment opportunities and fostering community development through taxes and capital generation. Building strong relationships with communities can help chemicals companies mitigate potential operational disruption, reduce regulatory risk, retain top employees, lower the risk of litigation expenses in the event of process safety incidents, and ensure a strong social license to operate.	-	Positive

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 Quality Management System c) ISO 45001 Occupational Health and Safety Management Systems d) ISO 14505 and ISO 20000 (obtained in 2020-21) e) ISO 14064-1:2018 Greenhouse Gas (GHG) f) Global Organic Textile Standard (GOTS) certified g) Hazard Analysis Critical Control Point (HACCP) Certification h) Indian Green Building Council i) SA8000-Social Accountability Certification j) Star Export House k) WHO Good Manufacturing Practice certified l) 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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NIL								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements Our Company is committed for conservation of environment, health and safety for the benefit of the its employees and all direct and indirect stakeholders and the future generation. Our teams regularly conduct awareness programs and impart training to all employees on sustainability practices. Our philosophy for sustainability stems from individual action and collective responsibility. Our approach involves prioritizing ESG aspects most relevant to stakeholders, promoting responsible practices throughout our operations, and upholding high governance standards.									
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
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.

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

Essential Indicators

1. Percentage coverage by training and awareness programs 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	5	Business performance/operations, business strategy including risk involved and mitigation plans, economic/ industry outlook, financial/ capital management, expansion projects, budgets, research & development, regulatory updates, litigations, corporate governance and other relevant subject matters	100%
Key Managerial Personnel	5	Leadership & Change Management, Self-Development, Time Management, Feedback	100%
Employees other than BoD and KMPs	1	Accountability and Performance Improvement, Awareness Session on National Pension System, Health and Safety, Communication Skills, Friday Knowledge sharing session, ISO Awareness, POSH & Gender Sensitization, Etc.	100%
Workers	78	Health and safety training, Work functional trainings	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	NA	NA	-	NA	NA
Settlement	NA	NA	-	NA	NA
Compounding fee	NA	NA	-	NA	NA
Non- Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NA	NA	NA	NA	
Punishment	NA	NA	NA	NA	

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>

The objective of this Policy is to ensure that neither Fineotex nor any of its employees (whether fulltime contractual employees and including trainees and interns), directors, agents, associates, vendors, consultants, advisors, representatives or intermediaries indulge in any acts of 'Bribery' or 'Corruption' in discharge of their official duties towards the Company, either in their own name or in the name of the Company.

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

Particularsa	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

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 – No Corrective Action required

8. Number of days of accounts payables in the following format

Particularsa	FY 2023-24	FY 2022-23
Number of days of accounts payables	67	76

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format;

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	2.44	3.28
	b. Number of trading houses where purchases are made from	13	16
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	99%	97%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	87%	73%
	b. Number of dealers / distributors to whom sales are made	459	401
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	55%	30%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	3.93%	8.32%
	b. Sales (Sales to related parties / Total Sales)	0.73%	0.78%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	24.64%
	d. Investments	7.66%	13.61%

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
8	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-

The Company has established a code of conduct for its board of directors and key managerial personnel (KMP), mandating them to abstain from any business, relationship, or activity that could potentially conflict with the Company’s interests. To ensure transparency, the Company collects declarations from its board members and senior management annually or upon any change, disclosing their concerns or interests in other companies, bodies corporate, firms, or associations of individuals, including changes in shareholding.

Furthermore, during board and/or committee meetings, directors abstain from participating in discussions or decisions related to matters in which they have a vested interest or concern. To manage and monitor conflicts of interest involving directors and KMPs effectively, the Company Affairs team maintains a comprehensive database listing the directors and their affiliations.

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

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimize the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

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 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	32.04	13.28	The cost includes overall expenditure including the expenditure made on environmental and sustainable related projects.
Capex	3.28	0	Includes investments in CO2 and other Air Emission (SOx, NOx and dust) reduction, water conservation and effluent treatment, solid waste utilisation, improvement of safety, employee welfare initiatives and Installation/Commissioning of Solar Panel

- 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 authorized 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).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Drums & Packaging Materials	1.27	0

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 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	22.57 MT	0	55.58 MT	Nil	Nil	15 MT
E-waste	0	0	0	Nil	Nil	Nil
Hazardous waste	0	0	0	Nil	Nil	Nil
Other waste	0	0	0	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.

(This principle emphasizes the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

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	80	80	100	80	100	0	0	0	0	0	0
Female	27	27	100	27	100	0	0	0	0	0	0
Total	107	107	100	107	100	0	0	0	0	0	0

	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
Category		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
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	0	0	0	0	0	0	0	0	0	0	0

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

	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
Category		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	85	85	100	85	100	0	0	0	0	0	0
Female	13	13	100	13	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

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the company	4.35%	5.29%

*Cost incurred on wellbeing includes spending on Group accidental accident, natural death, Group Mediciam, Maternity Benefits etc.

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

	FY 2023-24			FY 2022-23		
	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	54.21	22.16	Yes	51	37	Yes
Gratuity	100	100	Yes	80	56	Yes
ESI	0	9.58	Yes	1	32	Yes
Others – please specify	0	0	NA	0	0	NA

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 offices are fully accessible to employees and workers with disabilities.

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.

Fineotex is firmly committed to fostering a diverse and inclusive workplace environment. We believe in providing equal employment opportunities to all qualified applicants and employees, regardless of race, caste, religion, color, ancestry, marital status, sex, age, nationality, disability, or veteran status. This commitment extends to all aspects of employment, encompassing recruitment, hiring, promotions, transfers, compensation, benefits, and termination. We strive to ensure that every employee is treated with dignity and respect, and we have established policies that promote a work environment free from discrimination, harassment, and intimidation.

The web link of the policy: <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	At Fineotex, we prioritize a safe and respectful work environment where all employees feel empowered to voice concerns or report issues. To achieve this, we've implemented a comprehensive Grievance Redressal Policy and Whistle Blower Policy.
Other than Permanent Workers	
Permanent Employees	Channels for Reporting: This system offers flexibility to ensure everyone has a comfortable avenue for communication. Employees can: 1. Discuss concerns directly with relevant personnel. 2. Report concerns electronically via email. 3. By dripping grievances in suggestion drop box
Other than Permanent Employees	

Employee's 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 2023-24			FY 2022-23		
	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 2023-24					FY 2022-23				
	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	80	80	100	80	100	79	79	100	79	100
Female	27	27	100	27	100	24	24	100	24	100
Total	107	107	100	107	100	103	103	100	103	100
Workers										
Male	85	85	100	85	100	87	87	100	87	100
Female	13	13	100	13	100	11	11	100	11	100
Total	98	98	100	98	100	98	98	100	98	100

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
- Male	80	80	100	79	79	100
- Female	27	27	100	24	24	100
Total	107	107	100	103	103	100
Workers						
- Male	85	85	100	87	87	100
- Female	13	13	100	11	11	100
Total	98	98	100	98	98	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-**

The company places the safety and well-being of its employees at the forefront of its operations. This commitment is reflected in the implementation of a robust Occupational Health and Safety Management System (OHSMS) that is seamlessly integrated into all business processes.

By implementing an OHSMS, we are not only meeting legal and regulatory requirements but also demonstrating our commitment to prioritizing the well-being of our workforce and the communities in which we operate. Health and safety are integral parts of our organizational values and we strive to uphold these principles in everything we do.

It leverages a holistic framework that incorporates best practices from established standards like ISO 45001 (Occupational Health and Safety Management Systems) and ISO 14001 (Environmental Management Systems). Additionally, process safety management and responsible care management systems are woven into the framework.

We are continuously ensuring that all the work areas are designed, maintained and operated in a manner that minimizes risks to health and safety of employees and to implement the same the company has installed the Water Sprinkler, Fire Hydrant, Fire Extinguisher, Fire Sand Bucket, Fire Hosiery, Foam Monitor, Smoke detector and Heat detector etc.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity:

Ensuring the safety and well-being of employees is a top priority in any workplace. To achieve this, a proactive approach to identifying and mitigating potential hazards and risks is essential. Several effective processes can be utilized to safeguard employee well-being. Therefore, 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, At Fineotex, we prioritize employee safety with a robust program. We empower workers across all locations to report hazards through various channels. Regular audits and inspections identify potential issues. Standardized processes of HIRA assess the risks for routine and maintenance tasks, with regular training for HIRA.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)-

Yes, the employees/worker have access to non-occupational medical and healthcare services.

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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 2023-24			FY 2022-23		
	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	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

Particulars	% 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

- 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.
- 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:

Particulars	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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
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-

Particulars	% 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

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

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.

The key stakeholder for the organization includes employees, Investors, shareholders, Government, customers, bank and financial institution, and the community. The company acknowledges all stakeholders for their support in helping the company to deliver its strategies and achieve its targets. The company values the input and feedback provided by stakeholders and seeks to maintain strong relationships with 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	No	Email, Telephone, SMS and Meetings	As and when required	<ul style="list-style-type: none"> • Build long-lasting relationships with capable suppliers • Ensure supplier competency and compliance
Customers	No	Email, Letters, Representation and Survey	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 and Shareholders	No	Email, Newspaper, Advertisement, Media Releases, Website, Annual Report, Disclosures To Stock Exchanges And Investor Meetings / Calls / Conferences	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 and Workers	No	Email, Telephone, SMS and Meetings	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	<ul style="list-style-type: none"> • 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-

The ESG processes and procedures focus on non-financial performance indicators that address a company’s approach towards responsible investment, sustainability, its impact on society and the environment, as well as other ethical and corporate governance considerations. The management representatives engage in consultations with relevant stakeholders through conferences and meetings and subsequently present the feedback or representations from these stakeholders to the Board’s committees itself.

The company has adopted the ESG Policy which is available on the website of the company at <https://fineotex.com/wp-content/uploads/2023/08/ESG-Policy.pdf>

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.

The Process is existing on ESG compliances. 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.

No Instance of concern raised by vulnerable and marginalised group.

PRINCIPLE 5 : Businesses should respect and promote human rights

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

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 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	107	107	100	103	103	100
Other than permanent	0	0		0	0	0
Total Employees	107	107	100	103	103	100
Workers						
Permanent	98	98	100	98	98	100
Other than permanent	69	69	100	0	0	0
Total Employees	167	167	100	98	98	100

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	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	107	0	0	107	100	103	0	0	103	100
Male	80	0	0	80	100	79	0	0	79	100
Female	27	0	0	27	100	24	0	0	24	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	98	0	0	98	100
Male	85	0	0	85	100	87	0	0	87	100
Female	13	0	0	13	100	11	0	0	11	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:

a. Median of Remuneration / Wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	2	119.40	1	71.40
Key Managerial Personnel**	1	7.45	0	0
Employees other than BoD and KMP	162	4.56	39	4.70
Workers***	68	3.76	1	3.76

*Remuneration paid to only Executive Directors are considered, as Non-Executive Independent Directors (3 Male & 1 Female) are paid Sitting Fees only.

**KMP does not include Chairman & Managing Director and Executive Director as they are already covered in BoD.

***The reported workers are contractual workers. We firmly believe in compensating our workers adequately for the valuable skills and services they bring to our company. All contractual workers are paid above the minimum wage at all times.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	15.18	15.45

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 –

The company is dedicated to fostering a safe and respectful work environment for all employees. We achieve this by providing effective channels for reporting grievances and ensuring transparency and accountability in addressing potential violations. The company has established the Internal Complaints Committee (ICC) specifically to address claims of sexual harassment and other gender-based grievances. This dedicated committee operates with sensitivity, confidentiality, and efficiency to ensure prompt and fair resolution for all complaints. We strive to ensure that all employees feel empowered to voice concerns and valued as members of our workplace community.

Further, the company has adopted the Human Rights Policy which is available on the website of the company at <https://fineotex.com/wp-content/uploads/2023/08/Human-Rights-Policy.pdf>

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

	FY 2023-24			FY 2022-23		
	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	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

At Fineotex, we are committed to fostering a workplace free from discrimination and harassment. To ensure a safe space for reporting concerns, we have implemented several mechanisms to protect complainants from retaliation and all the genuine complaints, in good faith, can be made without fear of reprisals, punishment, intimidation, coercive action, dismissal, or victimization.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/ No/ NA)–

Yes, as per letter of appointment. Additional compliances as per SA 8000 and ESG process.

10. Assessments for the year: 2023-2024

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	100

- 11. 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 under 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**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0
Discrimination at workplace	0
Child Labour	0
Forced Labour/Involuntary Labour	0
Wages	0
Others – please specify	0

- 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.

(This principle emphasizes the importance of environmental stewardship. Companies should minimize their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators

- 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
From Renewable Sources		
Total electricity consumption (A)	4925973	5406640
Total fuel consumption (B)	284204	588943
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	5210177	5995583

Parameter	FY 2023-24	FY 2022-23
From Non-Renewable Sources		
Total electricity consumption (D)	4925973	54,06,640
Total fuel consumption (E)	284204	5,88,943
Energy consumption through other sources (F)		
Total energy consumption (D+E+F)	5210177	59,95,583
Total energy consumed (A+B+C+D+E+F)		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0012	0.0020
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumption/ revenue from operations adjusted for PPP)	0.0012	0
Energy intensity in terms of physical output	0.00000011	0
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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

- 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
- Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
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	56159	53050
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	56159	53050
Total volume of water consumption (in kilolitres)	56159	53050
Water intensity per rupee of turnover (Total water consumption / revenue from operations)	0.00067	0.00083
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) – (Total water consumption / revenue from operations adjusted for PPP)	0.00067	0
Water intensity in terms of physical output	0.00000001	0
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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

- Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

Parameter	FY 2023-24	FY 2022-23
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

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

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation- Yes 100%**
6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	µg/m3	24.54	Not Applicable
SOx	µg/m3	22.10	
Particulate matter (PM)	µg/m3	21.97	
Persistent organic pollutants (POP)	Nil	Nil	
Volatile organic compounds (VOC)	Nil	Nil	
Hazardous Air Pollutants (HAP)			
- Amonia	µg/m3	10.91	
- Carbon	µg/m3	0.9	
Others – please specify	µg/m3	Nil	

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. – Yes, we have undertaken the assessment though the Independent Monitoring Agency i.e. Green Envirosafe Engineer and Consultant Pvt. Ltd.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
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 CO₂ 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 CO₂ equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total scope 1 and scope 2 GHG emission / revenue from operations)			
Total Scope 1 and Scope 2 emission intensity per rupees of turnover adjusted for Purchasing Power Parity (PPP) – (Total scope 1 and scope 2 GHG emission / revenue from operations)			
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission 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? – No.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details- Yes, during the year company has installed and commissioned the Solar Panel Operation.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	22.57 MT	15.88 MT
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	22.57 MT	15.88 MT
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.20	
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.001522	0
Waste intensity in terms of physical output	0.00000001	0
Water Intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	0	0
(i) Recycled	0	0
(ii) Re-used	22 MT	10.93 MT
(iii) Other recovery operations	0	0
Total	22.57 MT	15.88 MT
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	0	0
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	22 MT	15.88 MT
Total	22 MT	15.88 MT

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? – No, not required

10. 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.

11. 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:

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.
We do not have office/operations in ecological sensitive areas.			

12. 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					

13. 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

1. **Water Withdrawal, consumption and discharge in area of water stress (in kiloliters):**

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 2023-24	FY 2022-23
Water Withdrawal by source (in kiloliters)		
i) Surface Water	0	0
ii) Ground Water	0	0
iii) Third Party Water	0	0
iv) Seawater, desalinated water	0	0
v) Others	56159	53050
Total volume of water withdrawal (in kilolitres)	56159	53050
Total volume of water consumption (in kilolitres)	56159	53050
Water intensity per rupee of turnover (Water consumed / turnover)	0.000634	0.00083
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? - No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 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 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			

3. 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- Not Applicable

4. 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: During the year, the company has installed and commissioned the Solar Panel Operations.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
NIL			

5. 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>

6. 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

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts- 30%

PRINCIPLE 7 : Businesses should promote inclusive growth and equitable development.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

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 (2023-24)		

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.

(This principle emphasizes the importance of promoting inclusive and equitable economic development.

Companies should create economic opportunities for all, including disadvantaged and marginalized groups. They should also contribute to the development of local communities and support social and economic empowerment.)

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

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
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

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 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 i.e. investor.relations@fineotex.com

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	14.36%	0
Sourced directly from within the district and neighboring districts	47.64%	65%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24	FY 2022-23
Rural	25.85	22.19
Semi-urban	54.61	58.15
Urban	0	0
Metropolitan	19.54	19.66

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

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

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

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 the packages cover GHS Symbol.

Particulars	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 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

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:

During the reporting period, there were no complaints or issues related to advertising and delivery of essential services, as well as cyber security and data privacy of customers. Additionally, no products were recalled in the current reporting year, and no fines or penalties were imposed, nor any regulatory actions taken regarding the safety of products or services.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches	0
b. Percentage of data breaches involving personally identifiable information of customers	0
c. Impact, if any, of the data breaches	-

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.

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 2024, 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, 2024, 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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, 2024.
- 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 47 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. Based on our examination, which Included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at the database level to log any direct changes.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024 .

FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)

(Shikha Jain)
Partner

Membership No. : 136484
UDIN: 24136484BKFSSA5419

Place: Mumbai
Date: May 28, 2024

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 2024.

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),(c),(d),(e),(f), (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 ₹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) (a) 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.
- (b) The Investments made are prima facie not prejudicial to the company’s interest
- (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

Place: Mumbai
Date: May 28, 2024

Membership No. : 136484
UDIN: 24136484BKFSSA5419

ANNEXURE “B” REFERRED TO IN PARAGRAPH 2 (F) 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 2024.**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, 2024 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, 2024, 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 28, 2024

Membership No. : 136484
UDIN: 24136484BKFSSA5419

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024
CIN - L24100MH2004PLC144295

(Rs. In Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non - Current Assets			
Property, Plant & Equipment	3	8,568.58	7,678.67
Capital Work in Progress	3	-	36.25
Investment Property	3	393.57	393.57
Financial Assets			
Investments	4	10,976.28	7,629.48
Other Financial Assets	5	244.47	311.16
Non Current - Tax Assets (Net)	6	652.96	219.00
Other Non Current Assets	8	414.35	432.41
Total Non - Current Assets		21,250.21	16,700.54
Current Assets			
Inventories	9	3,739.57	3,734.59
Financial Assets			
Investments	10	3,876.30	-
Trade Receivables	11	10,870.50	7,312.42
Cash & Cash Equivalents	12	843.50	1,462.35
Bank Balance other than above	13	1,296.31	1,800.32
Other Financial Assets	14	26.23	34.08
Other Current Assets	15	500.91	506.24
		21,153.32	14,850.00
Asset Classified as Held for Sale	16	720.69	720.69
Total Current Assets		21,874.01	15,570.69
TOTAL ASSETS		43,124.22	32,271.23
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	17	2,215.30	2,214.97
Other Equity	18	33,598.57	24,743.73
TOTAL EQUITY		35,813.87	26,958.70
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	19	96.92	103.70
Provisions	20	34.80	2.83
Deferred Tax Liability (Net)	7	324.58	191.23
Total Non - Current Liabilities		456.30	297.76
Current Liabilities			
Financial Liabilities			
Borrowings	21	519.02	728.02
Trade Payables	22		
Dues to Micro and Small Enterprises		845.35	-
Dues to Others		5,070.46	3,944.20
Other Financial Liabilities	23	19.67	15.54
Other Current Liabilities	24	359.17	293.89
Provisions	25	40.38	33.12
Total Current Liabilities		6,854.05	5,014.77
TOTAL LIABILITIES		7,310.35	5,312.53
TOTAL EQUITY AND LIABILITIES		43,124.22	32,271.23
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, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Aarti Jhunjunwala
Executive Director
DIN: 07759722

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

FINEOTEX CHEMICAL LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

CIN - L24100MH2004PLC144295

(Rs. In Lakhs)

Particulars	Note. No.	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from Operations	26	41,892.82	29,555.04
Other Income	27	3,242.37	1,065.57
Total Income		45,135.19	30,620.61
Expenses			
Cost of Material Consumed	28	25,318.72	17,806.03
Purchases of Stock in Trade		-	701.09
Changes in Inventories of Finished Goods / Stock in Trade	29	(338.45)	(192.90)
Employee Benefit Expenses	30	1,823.17	1,564.46
Finance Cost	31	81.10	57.41
Depreciation and Amortization	3	452.48	336.99
Other Expenses	32	3,743.58	3,576.73
Total Expenses		31,080.60	23,849.81
Profit Before Tax		14,054.59	6,770.80
Tax Expenses			
Current Tax	7	2,820.00	1,475.00
Deferred Tax	7	141.29	87.58
(Excess) / Short Provision of Earlier Years		30.64	6.29
Total Tax Expense		2,991.93	1,568.87
Profit After Tax		11,062.66	5,201.93
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss			
Remeasurement of Defined Benefit Plans		(33.19)	0.35
Income Tax related to above		9.57	(0.09)
Total Other Comprehensive Income for the year		(23.62)	0.26
Total Comprehensive Income for the year		11,039.04	5,202.19
Earnings Per Share - Basic & Diluted (₹)	35	9.99	4.70
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, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjunwala
Executive Director
DIN: 07759722

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

CIN - L24100MH2004PLC144295

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	14,054.59	6,770.80
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
Depreciation & Amortization	452.48	336.99
Finance Cost	81.10	57.41
Employee Stock Option Plan	20.43	23.71
Interest Income	(143.15)	(82.80)
Dividend Income	(1,881.27)	(446.33)
(Gain) / Loss on Fair Valuation of Investments	(1,018.36)	(280.95)
Actuarial Valuation of Gratuity	(33.19)	0.35
Unrealized Foreign Exchange Loss / (Gain)	2.46	(0.31)
Operating Profit Before Changes in Working Capital	11,535.09	6,378.87
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	(3,558.08)	202.54
(Increase) / Decrease in Inventories	(4.98)	1,113.23
(Increase) / Decrease in Other Current Financial Assets	7.85	(23.63)
(Increase) / Decrease in Other Current Assets	5.33	866.80
(Increase) / Decrease in Other Non - Current Financial Assets	66.69	(113.31)
(Increase) / Decrease in Other Non - Current Assets	18.06	(1.79)
Increase / (Decrease) in Trade Payables	1,971.61	(202.15)
Increase / (Decrease) in Other Current Financial Liabilities	4.13	2.96
Increase / (Decrease) in Other Current Liabilities	65.28	(24.63)
Increase / (Decrease) in Provisions	7.26	9.11
Increase / (Decrease) in Provisions- Non Current	31.97	(10.77)
Increase / (Decrease) in Other Non - Financial Liabilities	(6.78)	27.08
	(1,391.66)	1,845.44
Cash Generated from Operations	10,143.43	8,224.31
Less: Taxes Paid (Net of refund received)	(3,282.97)	(1,595.64)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	6,860.46	6,628.67
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment & Intangible Assets	(1,306.14)	(1,717.95)
Investments (purchased) / sold (net) in securities	(2,328.44)	(4,590.42)
Movement in other bank balance	504.01	(1,078.29)
Interest Received	143.15	82.80
Dividend Received	1,881.27	446.33
NET CASH FLOW FROM INVESTING ACTIVITY (B)	(1,106.15)	(6,857.53)

FINEOTEX CHEMICAL LIMITED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C		
<u>CASH FLOW FROM FINANCING ACTIVITY</u>		
Proceeds from Issue of Share application money under ESOP	10.87	-
Finance Cost	(81.10)	(57.41)
Corporate Dividend paid	(2,215.17)	(442.99)
NET CASH FLOW FROM FINANCING ACTIVITY (C)	(2,285.40)	(500.40)
D		
<u>NET CASH FLOW FOR THE YEAR (A + B + C)</u>	3,468.91	(729.26)
Add: Opening Balance of Cash & Cash Equivalents	734.33	1,463.28
Add: Effects of exchange loss/(gain) on cash and cash equivalents	(2.46)	0.31
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	4,200.78	734.33

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, 2024	For the year ended March 31, 2023
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:		
Balance with banks in current accounts	830.10	1,437.09
Cash on Hand	13.40	25.26
CASH AND CASH EQUIVALENT (REFER NOTE 12)	843.50	1,462.35
Add : Investment in liquid mutual funds (Refer Note 10)	3,876.30	-
Working Capital Facility from Bank (Refer Note 21)	(519.02)	(728.02)
CASH AND CASH EQUIVALENT IN CASH FLOW STATEMENT	4,200.78	734.33

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjunwala
Executive Director
DIN: 07759722

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

CIN - L24100MH2004PLC144295

A. Equity Share Capital

(Rs. In Lakhs)

	As at March 31, 2024		As at March 31, 2023	
	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
Add: Changes in Equity Capital during the year	16,569	0.33	-	-
Balance at the end of the reporting year	11,07,64,989	2,215.30	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, 2022 (A)	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 (B)	-	-	-	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 (C)	-	-	-	(442.99)	-	(442.99)
Balance as at March 31, 2023 (D)=(A+B+C)	10.85	30.99	745.31	23,928.58	28.00	24,743.73
Additions during the year:						
Profit for the year	-	-	-	11,062.66	-	11,062.66
Addition for equity share options granted	-	-	10.54	-	20.43	30.97
Items of OCI for the year, net of tax:						
Remeasurement of the defined benefit plans	-	-	-	(23.62)	-	(23.62)
Total Comprehensive Income for the year 2023-2024 (E)	-	-	10.54	11,039.04	20.43	11,070.01
Transactions with Owners in their capacity as Owners:						
Final Dividend for the year ended 31st March 2023	-	-	-	(885.99)	-	(885.99)
Interim Dividend For The FY 2023-24	-	-	-	(1,329.18)	-	(1,329.18)
Total (F)	-	-	-	(2,215.17)	-	(2,215.17)
Balance as at March 31, 2024 (D+E+F)	10.85	30.99	755.85	32,752.45	48.43	33,598.57

CORPORATE INFORMATION

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjhunwala
Executive Director
DIN: 07759722

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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 28th May, 2024.

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

- 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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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 & 38 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 38 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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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;

Notes to accounts forming part of financial statement for the year ended March 31, 2024

- 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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2023	Additions / Transfers	Deductions / Adjustments	As At March 31, 2024	As At April 01, 2023	For The Year	Deductions / Adjustments	As At March 31, 2024	As At March 31, 2024
(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	1,750.51	643.40	-	2,393.91	171.45	77.38	-	248.83	2,145.08
Office Premises (a)	541.13	-	-	541.13	145.72	29.07	-	174.79	366.34
Capex on Leasehold Premises	34.83	-	-	34.83	18.78	2.68	-	21.46	13.37
Plant & Machinery	3,044.04	451.00	-	3,495.04	350.19	216.54	-	566.73	2,928.31
Electrical Installation & Equipments	133.91	11.31	-	145.22	24.50	12.91	-	37.41	107.81
Furniture & Fixtures	155.01	49.45	-	204.46	41.22	19.19	-	60.41	144.05
Vehicles (b)	447.34	169.88	13.71	603.51	171.67	55.50	9.94	217.23	386.28
Office Equipments	102.79	10.58	-	113.37	45.14	17.95	-	63.09	50.28
Computers	94.96	10.54	-	105.50	60.33	21.26	-	81.59	23.91
Total - Tangible Assets	8,707.67	1,346.16	13.71	10,040.12	1,029.00	452.48	9.94	1,471.54	8,568.58
(B) Capital Work in Progress (c)	36.25	-	36.25	-	-	-	-	-	-
(C) INVESTMENT PROPERTY (a,d,e,f & g)	393.57	-	-	393.57	-	-	-	-	393.57
Total(A)+(B)+(C)	9,137.49	1,346.16	49.96	10,433.69	1,029.00	452.48	9.94	1,471.54	8,962.15

- a. - Office Premises includes fully paid unquoted shares in respect of ownership of Office Premises in 2 Co-operative Society (31 March 2023: 2 Co-operative Society); 15 shares (31 March 2023: 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 2023: 1 Co-operative Housing Society); 10 shares (31 March 2023: 10 shares) of Rs.50/- each.
- b. Motor Vehicles of Original Cost Rs.121.02 Lakhs as at 31st March 2024 (Previous Year as at 31st March 2023 Rs. 134.73 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, 2024	Year Ended March 31, 2023
Rental income	10.01	9.19
Direct operating expenses from property that generated rental income	(1.00)	(0.98)
Impact of IND AS on Lease Rentals	0.09	0.28
Profit from investment properties before depreciation	9.10	8.49
Depreciation	-	-
Profit from investment property	9.10	8.49

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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 (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.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

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 4 : FINANCIAL ASSETS - INVESTMENTS (NON - CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	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
FSPL Specialities Private Limited (Formerly Known as Fineotex Specialities Private Limited) of Rs.10 each	10,00,000	100.00	10,00,000	100.00
Finoclean Specialities Private Limited of Rs.10 each	10,00,000	100.00	-	-
TOTAL (A)		1,138.21		1,038.21
B. Other Investments				
Carried at fair value through profit or loss				
In Mutual Funds (Quoted and fully paid up) (Also Refer Note (b) & (c) below)	2,86,09,681.677	9,838.07	1,63,05,272.050	6,591.27
TOTAL (B)		9,838.07		6,591.27
TOTAL (A+B)		10,976.28		7,629.48
Aggregate Amount of Quoted Investment - At Cost		8,801.59		6,275.53
Aggregate Amount of Quoted Investment - At market value		9,838.07		6,591.27
Aggregate amount of Unquoted Investments - At Cost		1,138.21		1,038.21
Aggregate amount of impairment in value of Investments (In Subsidiaries)		-		-

Note :

a. Information about Subsidiaries

Name of the Company	% of Equity Interest	
	As at March 31, 2024	As at March 31, 2023
Fineotex Malaysia Limited	100	100
Fineotex Biotex Healthguard FZE (Formerly Known As Fineotex Specialities FZE)	100	100
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited)	100	100
Finoclean Specialities Private Limited	100	100
FSPL Specialities Private Limited (Formerly Known as Fineotex Specialities Private Limited)	100	100

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, 2024			As at March 31, 2023		
	No. of Units	At Cost	At MV	No. of Units	At Cost	At MV
Investment in Mutual Fund (Quoted & Fully Paid Up)	30,00,504.18	717.75	923.52	30,00,504.18	717.75	855.01

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 5: FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits (Refer Note i. Below)	234.47	204.08
Fixed Deposits maturing after 12 months (Refer Note ii. Below & Note No 21)	10.00	107.08
Total	244.47	311.16

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, 2024	As at March 31, 2023
Dues from Subsidiaries	109.06	101.79
Dues from Directors	18.99	17.73
Dues from relative of Directors	19.32	18.03

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, 2024	As at March 31, 2023
Non Current - Tax Asset (Net)	652.96	219.00
Total	652.96	219.00

NOTE 7: INCOME TAX

A. COMPONENTS OF INCOME TAX EXPENSES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
I. Income Tax recognised in statement of profit & loss		
Current Tax		
Current year	2,850.64	1,481.29
Sub-Total	2,850.64	1,481.29
Deferred tax charge/ (credit)		
Origination and reversal of temporary difference	141.29	87.58
Sub-Total	141.29	87.58
Income Tax Expense recognised in Statement of Profit & Loss	2,991.93	1,568.87
II. Income Tax Expense recognised in OCI		
Deferred tax charge/ (credit)		
Remeasurement of the Defined Benefit Plans	(9.57)	0.09
Total	(9.57)	0.09

Notes to accounts forming part of financial statement for the year ended March 31, 2024

B. RECONCILIATION OF EFFECTIVE TAX RATES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit/(loss) before tax	14,054.59	6,770.76
Enacted Income Tax Rate in India	25.17%	25.17%
Income Tax expense calculated at enacted corporate tax rate	3,537.26	1,704.07
Effect of income to be excluded	(476.49)	(3.16)
Effect of expenses that are not deductible in determining taxable profit	22.56	4.24
Effect of income which is taxed at special rates	(22.39)	3.93
Effect of Fair Value Gains / (Loss)	(183.36)	(68.41)
Others	(64.25)	(183.34)
Total	2,813.33	1,457.33
Effective tax rate for the year	20.02%	21.52%

C. MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

(Rs. In Lakhs)

Particular	Net deferred tax asset / (liabilities) as on 1st April, 2023	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on 31st March, 2024
Deferred tax assets/ (liabilities)				
Property, plant and equipment	(192.46)	(54.27)	-	(246.73)
Investments	(38.26)	(83.34)	-	(121.60)
Investment Property	32.35	6.75	-	39.10
Employee benefits	(1.51)	(6.44)	7.95	-
Other Current Assets	8.65	(4.00)	-	4.65
Deferred tax assets/ (liabilities)	(191.23)	(141.30)	7.95	(324.58)

MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

(Rs. In Lakhs)

Particular	Net deferred tax asset / (liabilities) as on 1st April, 2022	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on March 31, 2023
Property, Plant and Equipment	(131.95)	(60.51)	-	(192.46)
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)	(103.56)	(87.58)	(0.09)	(191.23)

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

D. DEFERRED TAX ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets		
Employee Benefits	-	(1.51)
Investment Property	39.10	32.35
Other Current Assets	4.65	8.65
Total	43.75	39.49
Deferred Tax Liabilities		
Investment	121.60	38.26
Property, Plant and Equipment	246.73	192.46
Total	368.33	230.72
NET DEFERRED TAX ASSETS / (LIABILITIES)	(324.58)	(191.23)

NOTE 8: OTHER NON-CURRENT ASSETS

(Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances (Refer Note No 33)	414.35	432.41
Total	414.35	432.41

NOTE 9: INVENTORIES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(As taken, valued and Certified by a Director)		
Raw Materials	2304.77	2646.13
Packing Material	171.33	163.44
Finished Goods	1263.47	925.02
Total	3,739.57	3,734.59

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, 2024		As at March 31, 2023	
	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)	1,45,666.407	3,876.30	-	-
Total		3,876.30		-
Aggregate Amount of Quoted Investment - At Cost		3,849.81		-
Aggregate amount of Quoted Investments - At market value		3,876.30		-

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 11: FINANCIAL ASSETS - TRADE RECEIVABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables		
Unsecured - Considered Good	10870.50	7312.42
Total	10870.50	7312.42

Trade Receivable ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from date of transactions					
	As at March 31, 2024					
	< 6 Months	6 months to 1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed						
Considered Good	10,315.95	124.38	316.62	93.96	19.59	10,870.50
Total	10,315.95	124.38	316.62	93.96	19.59	10,870.50

(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	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

Notes:

- i. Trade receivable includes (Also Refer Note No 41):

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Dues from Subsidiaries	64.42	137.01
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, 2024	As at March 31, 2023
Balances with Banks in Current Accounts	830.10	1437.09
Cash on Hand	13.40	25.26
Total	843.50	1462.35

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 13: FINANCIAL ASSETS - OTHER BANK BALANCES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid Dividend Account (Refer Note i. Below)	3.91	3.90
Fixed Deposits maturing between 3 to 12 months (Refer Note ii. Below)	1292.40	1796.42
Total	1,296.31	1800.32

Note :

i. The Current Account balance includes unpaid dividend of Rs. 3.91 Lakhs as at 31st March 2024 (Previous Year as at 31st March 2023 Rs. 3.90 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, 2024	As at March 31, 2023
Towards Bank Guarantee (Also refer Note no 33)	66.30	28.40
Towards Letter Of Credit	115.00	140.10
Towards Overdraft facility availed (Also refer Note no 21)	205.00	660.00

NOTE 14: FINANCIAL ASSETS - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due (Also Refer Note No 13)	10.68	31.03
Other Deposits	15.55	3.05
Total	26.23	34.08

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, 2024	As at March 31, 2023
Dues from Subsidiaries	-	-

NOTE 15: OTHER CURRENT ASSETS (Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances Other than capital advances		
Advances to Suppliers (Refer Note i Below)	177.70	200.61
Advance to Employees	7.79	1.85
Prepaid Expenses	101.76	112.91
Balances with Government Authorities	-	162.04

Notes to accounts forming part of financial statement for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Others		
Export Incentives Receivable	60.39	23.04
Insurance Claim Receivable	152.02	-
Inter Corporate Loan (Refer Note ii Below)	-	5.79
Other Receivable	1.25	-
Total	500.91	506.24

Note :

- i. Advance to Supplier includes Rs.Nil as at 31st March 2024 (Previous year Rs.49.43 Lakhs) due from Subsidiary Company (Also Refer Note No 41).
- ii. Intercompany Loan includes Rs. Nil- as at 31st March 2024 (Previous year Rs.5.79 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, 2024	As at March 31, 2023
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 2024-2025.

- ii. Further the fair value of these asset is higher than its carrying value as on 31st March 2024 and hence no impairment loss has been recognised.

NOTE 17: EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
14,00,00,000 (Previous year as at 31st March 2023 14,00,00,000) Equity Shares of Rs. 2/- each.	2800.00	2800.00
TOTAL AUTHORIZED SHARE CAPITAL	2800.00	2800.00
Issued, Subscribed & Paid Up		
11,07,64,989 (Previous year as at 31st March 2023 11,07,48,420) Equity Shares of Rs. 2/- each fully paid up.	2215.30	2214.97
TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2215.30	2214.97

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

a) Reconciliation of the number of shares outstanding :

(Rs. In Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning	11,07,48,420	2,214.97	11,07,48,420	2,214.97
Add: Issued during the year	16,569	0.33	-	-
Shares at the end	11,07,64,989	2,215.30	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, 2024		As at March 31, 2023	
	No. of Shares	%	No. of Shares	%
Mr. Surendra Tibrewala (Refer Note No i. Below)	6,12,31,286	55.28%	6,12,31,286	55.29%

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, 2024		As at March 31, 2023	
	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, 2024

- 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 31/03/2024		As at 31/03/2023		2023-24	2022-23
	No. of shares	% of Total shares	No. of shares	% of Total shares	% Change Inc / (Dec)	
Surendrakumar Deviprasad Tibrewala	6,08,85,786	54.97%	6,08,85,786	54.98%	-	-
Sanjay Tibrewala	34,34,990	3.10%	34,34,990	3.10%	-	4.60%
Kanaklata Tibrewala	32,81,700	2.96%	32,81,700	2.96%	-	-
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%	-	-
Surendra Tibrewala Huf	3,45,500	0.31%	3,45,500	0.31%	-	-
Aarti Mitesh Jhunjunwala	81,050	0.07%	81,050	0.07%	-	223.55%
Ritu Aditya Gupta	11,000	0.01%	11,000	0.01%	-	-
Mitesh Vinod Jhunjunwala	1,001	0.00%	1,001	0.00%	-	-
Nidhi Sanjay Tibrewala	1,000	0.00%	1,000	0.00%	-	-

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2022 (A)	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 (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 (B)	-	-	-	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 (C)	-	-	-	(442.99)	-	(442.99)
Balance as at March 31, 2023 (D)=(A+B+C)	10.85	30.99	745.31	23,928.58	28.00	24,743.73
Additions during the year:						
Profit for the year	-	-	-	11,062.66	-	11,062.66
Addition for equity share options granted (Refer Note No 39)	-	-	10.54	-	20.43	30.97
Items of OCI for the year, net of tax:						
Remeasurement of the defined benefit plans	-	-	-	(23.62)	-	(23.62)
Total Comprehensive Income for the year 2023-2024 (E)	-	-	10.54	11,039.04	20.43	11,070.01
Transactions with Owners in their capacity as Owners:						
Final Dividend for the year ended 31st March 2023	-	-	-	(885.99)	-	(885.99)
Interim Dividend For The FY 2023-24	-	-	-	(1,329.18)	-	(1,329.18)
Total (F)	-	-	-	(2,215.17)	-	(2,215.17)
Balance as at March 31, 2024 (D+E+F)	10.85	30.99	755.85	32,752.45	48.43	33,598.57

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.

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	Year ended March 31, 2023
Corporate Dividend Paid During the year to Equity Share Holders		
Final Dividend Paid for FY 2022-2023 (Previous Year FY 2021-2022)	885.99	442.99
Dividend Per Fully Paid Up Share	0.80	0.40
Interim Dividend Paid for FY 2023 - 2024	1,329.18	-
Dividend Per Fully Paid Up Share	1.20	-
Proposed Dividend on Equity shares not recognised as liability	443.06	885.99
Dividend Per Fully Paid Up Share	0.40	0.80

NOTE 19: FINANCIAL LIABILITIES - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits from Customers	96.92	103.70
Total	96.92	103.70

NOTE 20: PROVISIONS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Gratuity Payable	34.80	2.83
Total	34.80	2.83

NOTE 21: FINANCIAL LIABILITIES - SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
SECURED :		
Loans repayable on demand		
From Banks (Also Refer note below)	519.02	728.02
Total	519.02	728.02

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, 2024	As at March 31, 2023
Undisputed		
Due to Micro, Small and Medium Enterprises (Refer Note Below)	845.35	-
Due to Others	5070.46	3944.20
Total	5915.81	3944.20

Notes to accounts forming part of financial statement for the year ended March 31, 2024

Note

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2023-24, 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, 2024	As at March 31, 2023
(i) Principal and interest amount remaining unpaid	845.35	-
(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	845.35	-

Trade payable ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from date of transactions				
	As at March 31, 2024				
	< 1 Year	1-2 years	2-3 years	> 3 Years	Total
Undisputed					
i) MSME	845.35	-	-	-	845.35
ii) Others	4,948.30	3.71	6.21	112.24	5,070.46
Total	5,793.65	3.71	6.21	112.24	5,915.81

Trade payable ageing 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	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

NOTE 23: FINANCIAL LIABILITIES - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on Trade Deposit - Accrued but not due	15.76	11.64
Unclaimed Dividend (Also Refer Note Below)	3.91	3.90
Total	19.67	15.54

Note:

There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March 2024.

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 24: OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from Customer	23.85	34.18
Advance received for Asset held for Sale (Also Refer Note No 16)	107.00	107.00
Payable to Employees (Also Refer Note No 39)	105.46	89.08
Other Payables (Also refer Note No 41)	6.09	6.26
Statutory Liabilities	116.77	57.37
Total	359.17	293.89

NOTE 25: PROVISIONS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Leave Encashment	10.72	8.39
Bonus	29.66	24.73
Total	40.38	33.12

NOTE 26: REVENUE FROM OPERATIONS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Products	41,798.25	29,456.01
Other Operating Income:		
Export Incentives & Entitlements	94.57	99.03
Total	41,892.82	29,555.04

NOTE 26- A: REVENUE FROM CONTRACTS WITH CUSTOMERS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	36,613.41	23,398.48
Exports	5,184.84	6,057.53
Total	41,798.25	29,456.01

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 27: OTHER INCOME

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income from Financial Asset Carried at Amortised Cost	143.15	82.80
Dividend Income		
Received from Subsidiary (Also refer Note No.41)	1,879.99	445.69
Received from Quoted Investments measured at FVTPL	1.28	0.64
Other Non - Operating Income		
Gains on Foreign Currency transactions	130.15	211.24
Net gain on sale / measurement of financial asset at FVTPL	1,018.36	280.95
Other Income	69.44	44.25
Total	3,242.37	1,065.57

NOTE 28: COST OF MATERIALS CONSUMED

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw Material Consumed	23,957.03	16,506.03
Packing Material Consumed	1,361.69	1,300.00
Total	25,318.72	17,806.03

NOTE 29: CHANGES IN INVENTORIES OF FINISHED GOODS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Stock :		
Finished Goods	925.02	732.12
Less : Closing Stock :		
Finished Goods	1,263.47	925.02
NET CHANGE IN INVENTORIES	(338.45)	(192.90)

NOTE 30: EMPLOYEE BENEFIT EXPENSES (Also Refer Note No 39)

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, Wages and Bonus	1,681.61	1,442.74
Contribution to P.F & Other Funds		
Employer's Contribution to P. F.	43.80	38.33
Employer's Contribution to ESIC	1.48	2.28
Gratuity (Refer Note 39)	12.45	11.72
Staff Welfare Expenses	63.40	45.68
Employee Stock Option Plan (Refer Note 39)	20.43	23.71
Total	1,823.17	1,564.46

NOTE 31: FINANCE COST

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses on Financial Liabilities carried at amortised Cost		
On Borrowing	33.36	19.03
Others (Including Interest on delay / deferred payment)	0.01	0.89
Bank and Other Financial Charges	47.73	37.49
Total	81.10	57.41

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 32: OTHER EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Toll Conversion Charges	330.26	328.92
Power, Fuel and Utilities	114.38	114.58
Lease Rent / Hire Charges	194.70	166.00
Repairs & Maintenance on :		
Building	191.62	142.97
Plant and Machinery	26.50	43.12
Other Repairs	52.93	48.27
Insurance	60.73	70.31
Rates and Taxes	12.10	11.60
Professional Fees	325.42	262.77
Payment to Auditors :		
Audit Fees	5.50	5.50
Transfer Pricing Audit Fees	0.30	0.25
Certification Charges and Others	0.29	2.27
Other Services	9.13	6.06
Travelling and Conveyance	288.64	254.26
Commission	1,018.86	1052.69
Reserch & Development Expenses	103.44	59.67
Printing & Stationery	27.66	24.36
Security Charges	24.20	38.87
Advertisement, Publicity & Business Promotion	61.68	64.73
Outward Freight Charges	543.13	594.34
Expenditure towards Corporate Social Responsibility (Also Refer Note No 34)	73.50	98.36
Miscellaneous expenses	278.61	186.83
Total	3,743.58	3,576.73

NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS

1. Bank Guarantee (Refer Note no 5 & 13)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding Bank Guarantees issued by Bankers	455.88	112.65
Total	455.88	112.65

2. Corporate Gurantee

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Corporate Guarantee Given to Bank against Loan given to Group Company	1,000.00	-

Notes to accounts forming part of financial statement for the year ended March 31, 2024

3. Commitments (Refer Note No 8)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated Amount of Capital Commitments remaining to be executed on Capital account	439.80	1,175.12
Less: Advances Paid	413.12	432.41
Net Capital Commitments	26.68	742.71

NOTE 34: CORPORATE SOCIAL RESPONSIBILITY (Refer Note No 32)

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent as per Section 135 of the Companies Act, 2013	96.92	75.20
Amount approved by the Board to be spent	96.92	75.20
<u>Amount Spent during the year</u>		
Construction / Acquisition of any Asset	-	-
On purposes other than above	73.50	98.36
Total amount spent	73.50	98.36
Statement of unspent amount under section 135(5) of the Companies Act, 2013		
Opening Balance - (Excess) / Short Spent in Earlier Years	(25.17)	(2.01)
Amount required to be spent	96.92	75.20
Amount Spent	73.50	98.36
Closing Balance	(1.75)	(25.17)
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, 2024	Year ended March 31, 2023
Profit after tax available for equity shareholders as per Statement of Profit & Loss	11,062.66	5,201.93
Weighted Average No. of Equity Shares for of Face Value Rs. 2/- each	11,07,52,947	11,07,48,420
Earnings Per Share - Basic & Diluted ₹	9.99	4.70

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, 2024	Year ended March 31, 2023
Total interest bearing financial liabilities	615.94	831.72
Less : Cash and Cash Equivalents	843.50	1462.35
Adjusted Net Debt	(227.56)	(630.63)
Total Equity	35813.87	26958.70
Adjusted Equity		
Net Debts to Equity Ratio - Times	(0.01)	(0.02)

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024 is as follows:

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets		
<u>Fair Value through Profit & Loss</u>		
Investments (Other than in Subsidiary)	13,714.37	6,591.27
<u>Amortised Cost</u>		
Investments (Other than in Subsidiary)	-	-
Trade Receivables	10,870.50	7,312.42
Cash & Cash Equivalents	843.50	1,462.35
Other Bank Balances	1,296.31	1,800.32
Other Financial Assets	270.70	345.24
Other Current Assets	-	5.79
Total	26,995.38	17,517.39
Financial Liabilities		
<u>Amortised Cost</u>		
Borrowings	519.02	728.02
Trade Payables	5,915.81	3,944.20
Other Financial Liabilities	116.59	119.24
Total	6,551.42	4,791.46

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, 2024	As at March 31, 2023
Financial Assets		
<u>Level 1</u>		
Investments in quoted mutual fund units	13,714.37	6,591.27
<u>Level 2</u>		
Security Deposit Given	218.46	201.93
Total	13,932.83	6,793.20
Financial Liabilities		
<u>Level 2</u>		
Security Deposit Accepted	8.99	8.97
Total	8.99	8.97

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, policies 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 company's 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, 2024	As at March 31, 2023
Fixed-rate instruments		
Financial Liabilities - Borrowings	615.94	831.72
Total	615.94	831.72

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

(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.

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	As at
	March 31, 2024	March 31, 2023
Investments in Quoted Mutual Funds	13,714.37	6,591.27
Total	13,714.37	6,591.27

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, 2024		As at March 31, 2023	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Mutual Funds	1,371.44	(1,371.44)	659.13	(659.13)
Total	1,371.44	(1,371.44)	659.13	(659.13)

(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, 2024	As at March 31, 2023
Financial Assets			
Trade and other receivables	USD	16.26	15.58
Cash & Cash Equivalent	USD	0.49	2.01
Cash & Cash Equivalent	EURO	0.01	0.12
Cash & Cash Equivalent	POUND	-	0.00
Cash & Cash Equivalent	YEN	0.01	1.50
Financial Liabilities			
Trade and other payables	USD	5.54	4.52
Trade and other payables	EURO	0.21	-

Sensitivity analysis to currency risk

(Rs. In Lakhs)

Foreign Currency	As at March 31, 2024		As at March 31, 2023	
	3% increase	3% Decrease	3% increase	3% Decrease
USD	27.71	(27.71)	32.21	(32.21)
EURO	(0.54)	0.54	0.31	(0.31)
POUND	-	-	0.00	(0.00)
YEN	0.00	(0.00)	0.03	(0.03)
Total	27.17	(27.17)	32.55	(32.55)

Notes to accounts forming part of financial statement for the year ended March 31, 2024

(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 customers' 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 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 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, 2024, and 31st March, 2023 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 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 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, 2024		As at March 31, 2023	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Working Capital Loans from Banks	519.02	-	728.02	-
Trade Payables	5,793.65	122.16	3,936.30	7.90
Other Financial Liabilities	19.67	96.92	15.54	103.70
Total	6,332.34	219.08	4,679.86	111.60

Notes to accounts forming part of financial statement for the year ended March 31, 2024

(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 2024.

(A) Defined benefit plans

i Retiring Gratuity

I Components of Employer Expenses

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current Service Cost	12.65	11.53
Past Service Cost vested		-
Interest Cost	4.50	3.48
Expected Return on Plan Assets	(4.70)	(3.29)
Actuarial (Gain) / Loss	30.54	(0.87)
Total Expenses/(Gain) recognized in the Profit & Loss Account	42.99	10.85

II Net Asset/ (Liability) recognized in Balance Sheet

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Present value of Funded Obligation	108.95	61.75
Fair Value of Plan Assets	74.15	58.92
Assets/(Liability) recognized in the Balance Sheet	34.80	2.83

III Change in Defined Benefit Obligations (DBO)

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening Balance of Present Value of Obligation	61.73	50.29
Interest Cost	4.50	3.48
Current Service Cost	12.65	11.53
Past Service Cost - Vested Benefits	-	-
Actuarial (Gain)/Loss	-	(1.09)
Benefit Paid	30.06	(2.48)
Closing Balance of Present Value of Obligation	108.94	61.73

IV Changes in the Fair Value of Plan Assets

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening Balance of Present Value of Obligation	58.91	36.69
Adjustement to opening Fair Value of Plan Asset	-	0.19
Expected Return on Plan Assets	(0.49)	(0.22)
Interest Income	4.70	3.29
Contribution by Employer	11.03	21.44
Benefit Paid	-	(2.48)
Fair Value of Plan Assets as at 31st March	74.15	58.91

Notes to accounts forming part of financial statement for the year ended March 31, 2024

V Actuarial Assumption

Particulars	March 31, 2024	March 31, 2023
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, 2024	March 31, 2023
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, 2024	March 31, 2023
Net Opening Liability	2.83	13.41
P & L Charges	12.45	11.72
Contribution paid	(11.02)	(21.43)
Other Comprehensive Income (OCI)	30.54	(0.87)
Closing Net Liability	34.80	2.83

VIII Gratuity - Sensitivity Analysis

(Rs. In Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Salary Growth Rate (1% movement)	118.81	100.45	67.05	57.13
Discount Rate (1% movement)	99.25	120.44	56.14	68.41

(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.45.28 Lakhs (Previous year Rs.40.61 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 - I

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:	

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

Particulars	
Outstanding of the beginning of the year	41,511
Granted during the year	-
Forfeited/cancelled during the year	4,479
Lapsed during the year	-
Exercised during the year	8,569
Outstanding at the end of the year	28,463
Exercisable at the end of the year	-
Weighted average remaining contractual life	6 Month
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

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%
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

Plan Description - II

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	8,000
Granted during the year	-
Forfeited/cancelled during the year	-
Lapsed during the year	-
Exercised during the year	8,000
Outstanding at the end of the year	-
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

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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%
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

Plan Description - III

Particulars	
Grant date	May 20,2023
No of options granted	6,274
Exercise price per option	Rs. 215
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	-
Granted during the year	6,274
Forfeited/cancelled during the year	-
Lapsed during the year	859
Exercised during the year	-
Outstanding at the end of the year	5,415
Exercisable at the end of the year	-
Weighted average remaining contractual life	1.5 Years
Weighted average Exercise price in Rs.	Rs 215.00
Range of exercise price in Rs.	Rs 215.00 to Rs.215.00
The weighted average share price for options exercised during year in Rs.	NA

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

Particulars	
Expected dividend yield (p.a.)	0.16%
Expected volatility (p.a.)	48%
Risk-free interest rate (p.a.)	6.55%
Share Price at grant date (Rs.)	254.90
Exercise price (Rs.)	215.00
Expected life of options granted in years (no. of years)	3.00
Weighted average fair value per option (Rs.)	113.62

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 holders to exercise the right to apply for and seek allotment of one equity share of Rs. 2 each.

NOTE 40: LEASES

The Company has entered into Operating Leases on Immovable Properties.

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	As at March 31, 2023
(a)	In respect of operating lease on Immovable properties payments recognized in Statement of Profit and Loss.	172.31	141.49
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	120.70	115.93
	For the period later than one year and not later than five years	125.57	139.90

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, 2024	As at March 31, 2023
(a)	In respect of Immovable properties given under operating lease, lease rent received and recognized in Statement of Profit and Loss.	24.26	27.19
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	18.00	27.00
	For the period later than one year and not later than five years	18.00	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	FSPL Specialities Private Limited (Formerly Known as Fineotex Specialities Private Limited)	100.00%
8	BT Biotex Limited	100.00%
9	Finoclean Specialities Private Limited	100.00%

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 Jhunjunwala

b. Company Secretary

- 1 Hemant Auti (Resigned wef 07-12-2022)
- 2 Sunny Parmar - (Appointed wef 13-12-2022)

Notes to accounts forming part of financial statement for the year ended March 31, 2024

c. Non - Executive Directors : Independent

- 1 Navin Mittal
- 2 Alok Dhanuka
- 3 Bindu Shah
- 4 Sunil Waghmare

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
SALE OF GOODS (Net of Returns)								
BT Chemicals SDN BHD	121.96	51.02	-	-	-	-	121.96	51.02
Rovatex SDN BHD	183.83	178.05	-	-	-	-	183.83	178.05
Total	305.79	229.07	-	-	-	-	305.79	229.07
RECEIVING OF SERVICES								
Proton Biochem Private Limited	-	-	-	-	54.00	52.50	54.00	52.50
Total	-	-	-	-	54.00	52.50	54.00	52.50
PURCHASE OF GOODS								
Rovatex SDN BHD	146.90	322.10	-	-	-	-	146.90	322.10
BT Chemicals SDN BHD	808.43	1,088.34	-	-	-	-	808.43	1,088.34
Proton Biochem Private Limited	-	-	-	-	17.04	-	17.04	-
Total	955.33	1,410.44	-	-	17.04	-	972.37	1,410.44
Dividend Income								
Fineotex Malaysia Limited	805.84	445.69	-	-	-	-	805.84	445.69
Fineotex Biotex Health Guard FZE (Formerly Known as Fineotex Biotex FZE)	124.16	-	-	-	-	-	124.16	-
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	950.00	-	-	-	-	-	950.00	-
Total	1,880.00	445.69	-	-	-	-	1,880.00	445.69
RENT INCOME								
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	14.25	18.00	-	-	-	-	14.25	18.00
Total	14.25	18.00	-	-	-	-	14.25	18.00
RENT EXPENSE								
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited)	9.60	9.60	-	-	-	-	9.60	9.60
Surendra Tibrewala	-	-	10.20	7.65	-	-	10.20	7.65
Kanaklata Tibrewala	-	-	-	-	23.40	17.55	23.40	17.55
Sanjay Tibrewala	-	-	10.20	7.65	-	-	10.20	7.65
Total	9.60	9.60	20.40	15.30	23.40	17.55	53.40	42.45

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
COMMISSION PAID								
BT Chemicals SDN BHD	24.45	20.53	-	-	-	-	24.45	20.53
Rovatex SDN BHD	12.85	14.71	-	-	-	-	12.85	14.71
Total	37.30	35.24	-	-	-	-	37.30	35.24
MEMBERSHIP & SUBSCRIPTION								
Bt Biotex SDN BHD	12.47	12.30	-	-	-	-	12.47	12.30
Total	12.47	12.30	-	-	-	-	12.47	12.30
INTEREST RECEIVED								
Finoclean Specialities Private Limited	0.00	-	-	-	-	-	0.00	-
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	0.01	2.66	-	-	-	-	0.01	2.66
Total	0.01	2.66	-	-	-	-	0.01	2.66
REMUNERATION TO DIRECTORS*								
Surendra Tibrewala	-	-	119.40	113.40	-	-	119.40	113.40
Sanjay Tibrewala	-	-	119.40	113.40	-	-	119.40	113.40
Aarti Jhunjhunwala	-	-	71.40	65.40	-	-	71.40	65.40
DIRECTORS FEES/SITTING FEES								
Navin Mittal	-	-	0.26	0.20	-	-	0.26	0.20
Alok Dhanuka	-	-	0.36	0.25	-	-	0.36	0.25
Bindu Shah	-	-	0.65	0.55	-	-	0.65	0.55
Sunil Waghmare	-	-	0.25	0.25	-	-	0.25	0.25
REMUNERATION TO COMPANY SECRETARY *								
Hemant Auti	-	-	-	4.72	-	-	-	4.72
Sunny Parmar	-	-	7.37	1.81	-	-	7.37	1.81
EMPLOYERS CONTRIBUTION TO PF								
Surendra Tibrewala	-	-	8.78	8.24	-	-	8.78	8.24
Sanjay Tibrewala	-	-	8.78	8.24	-	-	8.78	8.24
Aarti Jhunjhunwala	-	-	6.05	5.35	-	-	6.05	5.35
Total	-	-	342.70	321.81	-	-	342.70	321.81
REIMBURSEMENT OF EXPENSES								
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited)	0.02	2.10	-	-	-	-	0.02	2.10
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	1.08	-	-	-	-	-	1.08	-
Fineotex Malaysia Limited	-	37.04	-	-	-	-	-	37.04
Total	1.10	39.14	-	-	-	-	1.10	39.14

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
ADVANCE GIVEN TO SUPPLIER								
Rovatex SND BHD	-	49.43	-	-	-	-	-	49.43
Total	-	49.43	-	-	-	-	-	49.43
INVESTMENT IN EQUITY SHARES								
Finoclean Specialities Private Limited	100.00	-	-	-	-	-	100.00	-
Total	100.00	-	-	-	-	-	100.00	-
ADVANCE GIVEN								
FSPL Specialities Private Limited(Formerly Fineotex Specialities Private Limited)	56.56	653.50	-	-	-	-	56.56	653.50
Finoclean Specialities Private Limited	3.07	-	-	-	-	-	3.07	-
Total	59.63	653.50	-	-	-	-	59.63	653.50
ADVANCE GIVEN RECEIVED BACK								
FSPL Specialities Private Limited(Formerly Fineotex Specialities Private Limited)	62.34	892.71	-	-	-	-	62.34	892.71
Finoclean Specialities Private Limited	3.07	-	-	-	-	-	3.07	-
Total	65.41	892.71	-	-	-	-	65.41	892.71

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
OUTSTANDING BALANCES INVESTMENTS								
Fineotex Malaysia Limited	838.69	838.69	-	-	-	-	838.69	838.69
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited)	72.94	72.94	-	-	-	-	72.94	72.94
Fineotex Biotex Healthguard FZE (Formerly Known As Fineotex Specialities FZE)	26.58	26.58	-	-	-	-	26.58	26.58
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	100.00	100.00	-	-	-	-	100.00	100.00

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Finoclean Specialities Private Limited	100.00	-	-	-	-	-	100.00	-
Total	1,138.21	1,038.21	-	-	-	-	1,138.21	1,038.21
RECEIVABLES								
BT Chemicals SDN BHD	25.77	42.77	-	-	-	-	25.77	42.77
Rovatex SDN BHD	38.65	92.62	-	-	-	-	38.65	92.62
Total	64.42	135.39	-	-	-	-	64.42	135.39
TRADE ADVANCE								
Rovatex SDN BHD	-	49.43	-	-	-	-	-	49.43
Total	-	49.43	-	-	-	-	-	49.43
SECURITY DEPOSIT GIVEN (Excluding effect of IND AS 113)								
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited)	116.34	116.36	-	-	-	-	116.34	116.36
Sanjay Tibrewala	-	-	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	116.34	116.36	20.00	20.00	20.00	20.00	156.34	156.36
SECURITY DEPOSIT RECEIVED								
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	5.99	5.98	-	-	-	-	5.99	5.98
Total	5.99	5.98	-	-	-	-	5.99	5.98
PAYABLES								
BT Chemicals SDN BHD	95.74	149.66	-	-	-	-	95.74	149.66
Rovatex SDN BHD	0.01	-	-	-	-	-	0.01	-
Proton Biochem Private Limited	-	-	-	-	-	4.22	-	4.22
Surendra Tibrewala - Rent	-	-	-	0.92	-	-	-	0.92
Kanaklata Tibrewala - Rent	-	-	-	-	-	2.11	-	2.11
Manya Manufacturing India Private Limited (Formerly Known As Manya Steel Private Limited)	-	0.72	-	-	-	-	-	0.72
Fineotex Malaysia Limited	-	37.04	-	-	-	-	-	37.04
Sanjay Tibrewala	-	-	-	0.77	-	-	-	0.77
Total	95.75	187.42	-	1.69	-	6.33	95.75	195.44
RECEIVABLE								
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	-	1.62	-	-	-	-	-	1.62
Total	-	1.62	-	-	-	-	-	1.62

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
REMUNERATION PAYABLE								
Surendra Tibrewala	-	-	0.72	1.72	-	-	0.72	1.72
Sanjay Tibrewala	-	-	0.22	2.22	-	-	0.22	2.22
Aarti Jhunjhunwala	-	-	0.44	0.44	-	-	0.44	0.44
Sunny Parmar	-	-	0.58	0.53	-	-	0.58	0.53
Total	-	-	1.96	4.91	-	-	1.96	4.91
LOAN GIVEN								
FSPL Specialities Private Limited (Formerly Fineotex Specialities Private Limited)	-	5.79	-	-	-	-	-	5.79
Total	-	5.79	-	-	-	-	-	5.79

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 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, 2024	Balance as at March 31, 2023	Max Balance Outstanding during year March 31, 2024	Max Balance Outstanding during year March 31, 2023
FSPL Specialities Private Limited (Formerly Known as Fineotex Specialities Private Limited)	Wholly Owned Subsidiary	-	5.79	5.93	699.79

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 conform 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.

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

47 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

Dividend Proposed to be distributed:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<u>Corporate Dividend for Equity Shareholders Proposed for the year</u>		
Final Dividend Proposed	443.06	885.99
Dividend Proposed Per Fully Paid Up Share	0.40	0.80

The Board of Directors at its meeting held on 28th May , 2024 have recommended a payment of final dividend of Rs.0.40/- (Rupee Forty paise only) per equity share of face value of Rs.2/- each for the financial year ended 31st March, 2024.

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, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjhunwala
Executive Director
DIN: 07759722

Notes to accounts forming part of financial statement for the year ended March 31, 2024 ANNEXURE “A” REFERRED TO IN NOTE NO. 46 OF NOTES TO FINANCIAL STATEMENTS

- 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).
- The Company has granted following Advances in the nature of Loans to its wholly owned subsidiary that is without specifying the period of repayment

(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	-	100%

- 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	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

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	36.25	-	-	-	36.25
Projects temporarily suspended	-	-	-	-	-
	36.25	-	-	-	36.25

4)	FINANCIAL RATIOS	2023-2024	2022-2023	Variance	Reason for Variance
				%	> 25%
A)	CURRENT RATIO				
	Ratio (Times)	3.09	2.96	4.39%	N.A
B)	DEBT EQUITY RATIO				
	Ratio (Times)	0.01	0.03	(66.66%)	Better Cash Flow and Liquidity
C)	DEBT SERVICE COVERAGE RATIO				
	Ratio (Times)	143.00	97.48	46.70%	Better Cash Flow and Liquidity
D)	RETURN ON EQUITY RATIO				
	Ratio	35.25%	21.17%	66.51%	Better Profitability
E)	INVENTORY TURNOVER RATIO				
	Ratio (Times)	11.18	6.86	62.97%	Better Working Capital Management
F)	TRADE RECEIVABLES TURNOVER RATIO				
	Ratio (Times)	4.61	3.97	16.12%	N.A.
G)	TRADE PAYABLES TURNOVER RATIO				
	Ratio (Times)	5.81	4.15	40.00%	Better Trade Payable Terms With Vendors

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

4)	FINANCIAL RATIOS	2023-2024	2022-2023	Variance	Reason for Variance
				%	> 25%
H)	<u>NET CAPITAL TURNOVER RATIO</u> Ratio (Times)	3.46	2.77	24.91%	NA
I)	<u>NET PROFIT RATIO</u> Ratio	26.41%	17.60%	50.06%	Better Profitable
J)	<u>RETURN ON CAPITAL EMPLOYED</u> Ratio	38.56%	24.49%	57.45%	Better Profitable
K)	<u>RETURN ON INVESTMENT</u> Ratio	10.77%	7.17%	50.21%	Better Return on Investments
	<u>On Fixed Income Securities</u> Ratio	6.16%	5.17%	19.15%	Interest Rate Increase

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Aarti Jhunjunwala
Executive Director
DIN: 07759722

Sunny Parmar
Company Secretary
M.No. A67264

Mumbai, 28th May 2024

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	FSPL Specialities Private Limited (Formerly Known as Fineotex Specialities Pvt. Ltd.)	Finoclean Specialities Private Limited	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-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-24
3	Date of becoming subsidiary	11-Nov-13	05-Sep-20	30-Dec-23	28-Jun-11	28-Jun-11	28-Jun-11	28-Jun-11	25-Jan-15	10-Nov-20
4	Reporting Currency	Rupees	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	1	17.85	17.85	17.85	82.80	82.80	82.80
Rupees in lakhs										
		Audited	Audited	Audited	Audited	Audited	Audited	Audited	Unaudited	Audited
6	Share Capital	1.00	100.00	100.00	93.71	0.02	0.19	1,565.10	33.80	8.28
7	Reserves & Surplus	49.23	5,959.65	(1.77)	820.20	1,025.42	277.17	1,303.46	69.62	369.06
8	Total Assets	170.48	6,541.72	98.55	4,367.47	1,738.07	1,726.72	2,868.91	116.53	780.73
9	Total Liabilities	120.26	482.08	0.32	3,453.56	712.63	1,449.36	0.35	13.11	403.39
10	Investments	31.49	696.06	60.12	-	-	-	1,868.56	-	-
11	Turnover	-	7,922.69	2.06	6,345.82	2,991.21	668.56	-	191.30	1,154.56
12	Profit before Taxation	16.04	2,945.87	(0.09)	527.34	(28.70)	67.23	72.80	73.96	18.74
13	Provision for Taxation	4.06	523.95	(0.60)	111.45	(0.02)	16.59	6.88	-	-
14	Profit after Taxation	11.98	2,421.93	0.50	415.89	(28.68)	50.64	65.92	73.96	18.74
15	Proposed Dividend	-	-	-	160.65	-	-	807.30	124.20	-
16	% of shareholding	100.00	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

Aarti Jhunjunwala
Executive Director
DIN: 07759722

Place : Mumbai

Date : 28th May, 2024

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 31st March 2024, 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, 2024, 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 Eight (8) subsidiaries included in the consolidated financial statements/financial information, whose financial statements/financial information reflects (before eliminating intercompany transactions) total assets of ₹ 6,823.82 Lakhs as at 31 March 2024, total revenues of ₹ 8,562.62 Lakhs, total net profit/(loss) after tax of ₹ 495.78 Lakhs, and net cash outflows of ₹ 795.31 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 as it relates to the aforesaid subsidiaries, is based solely on the audit reports of the other auditors.

Further, of these subsidiaries, Six (6) 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.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxii) 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 31st March, 2024 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 31st March, 2024 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 31st March, 2024.
 - 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 47 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.
- vi. Based on our examination, which included test checks carried out by us for the Holding Company and as communicated by the respective auditors of its subsidiary companies incorporated in India, the Holding Company and its subsidiaries have used accounting software's for maintaining its books of account for the financial year ended March 31, 2024

which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not enabled at the database level to log any direct changes.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024 .

FOR ASL & CO.
Chartered Accountants
(Regn. No 101921 W)

(Shikha Jain)
Partner

Place: Mumbai
Date: May 28, 2024

Membership No. : 136484
UDIN: 24136484BKFSSC1041

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 31ST MARCH 2024.

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, 2024 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, 2024, 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 28, 2024

Membership No. : 136484
UDIN: 24136484BKFSSC1041

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024
CIN No. L24100MH2004PLC144295

(Rs. In Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non - Current Assets			
Property, Plant & Equipment	3	13,099.61	8,880.20
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	10,795.25	8,933.12
Others	5	157.34	237.57
Non Current Assets - Income Tax	7	756.78	331.66
Other Non - Current Assets	8	414.35	450.39
Total Non - Current Assets		26,230.75	19,876.61
Current Assets			
Inventories	9	5,010.69	4,729.36
Financial Assets			
Investments	10	3,876.30	-
Trade Receivables	11	13,881.66	10,140.06
Cash & Cash Equivalents	12	2,274.51	3,756.64
Bank Balance other than above	13	1,717.31	2,200.32
Other Financial Assets	14	206.44	71.31
Other Current Assets	15	896.98	774.90
		27,863.89	21,672.59
Asset classified as Held for Sale	16	720.69	720.69
Total Current Assets		28,584.58	22,393.28
TOTAL ASSETS		54,815.33	42,269.89
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	2,215.30	2,214.97
Other Equity	18	42,493.92	32,651.44
Equity attributable to owners of the parent		44,709.22	34,866.41
Non-controlling Interest		647.10	700.66
Total Equity		45,356.32	35,567.07
Liabilities			
Non - Current Liabilities			
Other Financial Liabilities	19	96.92	103.70
Provisions	20	34.80	2.83
Deferred Tax Liabilities (Net)	6	386.09	212.11
Total Non - Current Liabilities		517.81	318.64
Current Liabilities			
Financial Liabilities			
Borrowings	21	519.02	728.02
Trade Payables	22	-	-
Dues to Micro and Small Enterprises		950.29	-
Dues to Others		6,330.44	4,735.83
Other Financial Liabilities	23	64.25	15.54
Other Current Liabilities	24	1,029.96	868.94
Provisions	25	43.43	35.85
Current Liabilities - Income Tax	26	3.81	-
Total Current Liabilities		8,941.20	6,384.18
Total Liabilities		9,459.01	6,702.82
TOTAL EQUITY AND LIABILITIES		54,815.33	42,269.89
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3 to 48		

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjunwala
Executive Director
DIN: 07759722

FINEOTEX CHEMICAL LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

CIN No. L24100MH2004PLC144295

(Rs. In Lakhs)

Particulars	Note. No.	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from Operations	27	56,897.03	51,699.57
Other Income	28	1,653.75	730.45
Total Income		58,550.78	52,430.02
Expenses			
Cost of Material Consumed	29	34,002.76	34,062.54
Purchase of Stock In Trade	30	1,412.98	128.46
Changes in Inventories of Finished Goods / Stock in Trade	31	(534.53)	(268.45)
Employee Benefit Expenses	32	2,116.47	1,837.99
Finance Cost	33	133.14	82.05
Depreciation and Amortisation	3	602.04	427.99
Other Expenses	34	5,061.22	4,679.56
Total Expenses		42,794.08	40,950.14
Profit Before Tax		15,756.70	11,479.88
Tax Expenses			
Current Tax	6	3,447.94	2,418.68
Deferred Tax	6	175.65	99.43
(Excess) / Short Provision of Earlier Years		30.64	6.29
Total Tax Expense		3,654.23	2,524.40
Profit After Tax		12,102.47	8,955.48
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss			
Remeasurement of Defined Benefit Obligation / Asset		(33.19)	0.35
Income Tax related to above		9.57	(0.09)
Total Other Comprehensive Income for the year		(23.62)	0.26
Total Comprehensive Income for the year		12,078.85	8,955.74
Profit Attributable to:			
Owners of the Company		11,980.84	8,831.58
Non Controlling Interest		121.63	123.90
		12,102.47	8,955.48
Other Comprehensive Income Attributable to:			
Owners of the Company		(23.62)	0.26
Non Controlling Interest		-	-
		(23.62)	0.26
Total Other Comprehensive Income Attributable to:			
Owners of the Company		11,957.22	8,831.84
Non Controlling Interest		121.63	123.90
		12,078.85	8,955.74
Earnings Per Share - Basic & Diluted (₹)	36	10.82	7.97
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3 to 48		

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjunwala
Executive Director
DIN: 07759722

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

CIN No. L24100MH2004PLC144295

(Rs. In Lakhs)

Particulars	For the Year ended March 31, 2024	For The Year ended March 31, 2023
A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit / (Loss) Before Tax	15,756.70	11,479.88
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
Depreciation & Amortisation	602.04	427.99
Finance Cost	133.13	82.05
Interest Income	(195.48)	(104.67)
Employee Stock Option Plan	20.43	23.71
Dividend Income	(1.28)	(0.64)
Net gains / (losses) on fair value changes	(1,282.61)	(338.95)
Actuarial Valuation of Gratuity	(33.19)	0.35
	(756.96)	89.84
Operating Profit Before Changes in Working Capital	14,999.74	11,569.72
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	(3,741.64)	948.69
(Increase) / Decrease in Inventories	(281.32)	1,229.98
(Increase) / Decrease in Other Current Financial Assets	(135.13)	242.69
(Increase) / Decrease in Other Current Assets	(122.07)	517.05
(Increase) / Decrease in Other Non - Current Financial Assets	80.23	(156.55)
(Increase) / Decrease in Other Non - Current Assets	36.05	(17.85)
Increase / (Decrease) in Trade Payables	2,544.91	(1,141.51)
Increase / (Decrease) in Other Current Financial Liabilities	48.71	0.70
Increase / (Decrease) in Other Current Liabilities	161.02	169.74
Increase / (Decrease) in Provisions	39.55	(0.01)
	(1,369.69)	1,792.93
Cash Generated from Operations	13,630.05	13,362.65
Less: Taxes Paid (Net of refund received)	(3,891.99)	(2,635.50)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	9,738.06	10,727.15
B <u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Property, Plant & Equipment & Intangible Assets	(4,790.48)	(1,943.46)
FCTR on PPE	5.28	(4.51)
Investments during the year	(579.52)	(6,863.28)
Interest Received	195.48	104.67
Dividend Received	1.28	0.64
Movement in Other Bank balances	483.01	(1,478.29)
NET CASH FLOW FROM INVESTING ACTIVITY (B)	(4,684.95)	(10,184.23)

FINEOTEX CHEMICAL LIMITED

Particulars		For the Year ended March 31, 2024	For The Year ended March 31, 2023
C	<u>CASH FLOW FROM FINANCING ACTIVITY</u>		
	Deposits and Margin Money	(6.78)	27.09
	Finance Cost	(133.13)	(82.05)
	Proceeds from issue of share under ESOP	10.87	-
	Company incorporation / share issue expenses	(2.28)	-
	Corporate Dividend paid (incl. Dividend Distribution Tax)	(2,259.75)	(588.94)
	NET CASH FLOW FROM FINANCING ACTIVITY (C)	(2,391.07)	(643.90)
D	<u>EFFECT OF EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH AND CASH EQUIVALENTS (D)</u>	(58.87)	236.91
E	<u>NET CASH FLOW FOR THE YEAR (A + B + C+D)</u>	2,603.17	135.93
	Add: Opening Balance of Cash & Cash Equivalents	3,028.62	2,892.69
	CLOSING BALANCE OF CASH & CASH EQUIVALENTS	5,631.79	3,028.62

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, 2024	For the year ended March 31, 2023
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:		
Balance with banks in current accounts	2,251.08	3,724.92
Cash on Hand	23.43	31.72
CASH AND CASH EQUIVALENT	2,274.51	3,756.64
Add : Investment in liquid mutual funds (Refer Note 10)	3,876.30	-
Working Capital Facility from Bank (Refer Note 21)	(519.02)	(728.02)
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	5,631.79	3,028.62

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjunwala
Executive Director
DIN: 07759722

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

CIN No. L24100MH2004PLC144295

A. Equity Share Capital

(Rs. In Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	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	16,569	0.33	-	-
Balance at the end of the reporting period	11,07,64,989	2,215.30	11,07,48,420	2,214.97

B. Other Equity

(Rs. In Lakhs)

Particulars	Attributable to Owners							Non controlling Interest
	Reserves & Surplus				Other Reserves			
	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, 2022 (A)	10.85	30.99	806.20	23,066.19	4.29	81.00	23,999.52	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 (B)	-	-	-	8,831.84	23.71	239.36	9,094.91	121.45
Transactions with Owners in their capacity as Owners:								
Final Dividend for the year ended March 31, 2022	-	-	-	(442.99)	-	-	(442.99)	(145.95)
Total (C)	-	-	-	(442.99)	-	-	(442.99)	(145.95)
Balance as at March 31, 2023 (D)=(A+B+C)	10.85	30.99	806.20	31,455.04	28.00	320.36	32,651.44	700.66
Additions during the year:								
Profit for the period	-	-	-	11,980.84	-	-	11,980.84	121.63
Addition for equity share options granted	-	-	10.54	-	20.43	-	30.97	-
Currency Translation Reserve	-	-	-	1,824.48	-	(1,752.74)	71.74	(130.61)
Items of OCI for the year, net of tax:								
Remeasurement of the defined benefit plans	-	-	-	(23.62)	-	-	(23.62)	-
Total Comprehensive Income for the year 2023-2024 (E)	-	-	10.54	13,781.70	20.43	(1,752.74)	12,059.93	(8.98)
Transactions with Owners in their capacity as Owners:								
Company incorporation / share issue expenses	-	-	-	(2.28)	-	-	(2.28)	-
Dividend for the year ended March 31 2023	-	-	-	(885.99)	-	-	(885.99)	(44.58)
Interim Dividend for the FY 2023 - 24	-	-	-	(1,329.18)	-	-	(1,329.18)	-
Total (F)	-	-	-	(2,217.45)	-	-	(2,217.45)	(44.58)
Balance as at March 31, 2024 (D+E+F)	10.85	30.99	816.74	43,019.29	48.43	(1,432.38)	42,493.92	647.10

CORPORATE INFORMATION
SIGNIFICANT ACCOUNTING POLICIES
NOTES ON ACCOUNTS

As per our report of even date attached

For ASL & CO
Chartered Accountants
Firm Reg. No. 101921W

Shikha Jain
Partner
Membership No. 136484

Mumbai, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024

Aarti Jhunjunwala
Executive Director
DIN: 07759722

NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2024
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 28th May, 2024.

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

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.

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, 2024	As at March 31, 2023
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%
FSPL Specialities Private Limited (Formerly known as Fineotex Specialities Private Limited)	India	100.00%	100.00%
Finoclean 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 2024 for details with regards to other significant accounting policies.

Notes to accounts forming part of financial statement for the year ended March 31, 2024
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, 2023	Additions / Transfers	Exchange Differences	Deductions	As At March 31, 2024	As At April 01, 2023	For The Year	On Deductions	As At March 31, 2024	As At March 31, 2024
(A) Property Plant & Equipments										
Leasehold Rights	-	1,261.01	-	-	1,261.01	-	8.17	-	8.17	1,252.84
Land - Freehold	442.20	-	-	-	442.20	-	-	-	-	442.20
Land - Leasehold (Right of Use Assets)	2,054.38	-	-	-	2,054.38	-	-	-	-	2,054.38
Factory Buildings	1,764.80	2,588.19	-	-	4,352.99	171.45	94.01	-	265.46	4,087.53
Office Premises (a)	541.13	-	-	-	541.13	145.72	29.07	-	174.79	366.34
Plant & Machinery	4,148.41	585.40	(2.92)	-	4,730.89	463.23	300.33	-	763.56	3,967.33
Furniture & Fixture	377.01	77.97	(0.13)	-	454.85	82.98	55.16	-	138.14	316.71
Vehicles (b)	471.90	169.88	(1.72)	13.71	626.35	177.42	55.50	9.94	222.98	403.37
Computers	94.10	12.19	(0.07)	-	106.22	58.10	21.67	-	79.77	26.45
Capex on Leasehold Premises	41.57	117.42	(0.33)	-	158.66	20.70	15.26	-	35.96	122.70
Office Equipment	107.09	18.44	(0.11)	-	125.42	42.79	22.87	-	65.66	59.76
Total - Tangible Assets	10,042.59	4,830.50	(5.28)	13.71	14,854.10	1,162.39	602.04	9.94	1,754.49	13,099.61
(B) Capital Work in Progress (c)	36.25	-	-	36.25	-	-	-	-	-	-
(C) INVESTMENT PROPERTY (a,d,e,f & g)	393.57	-	-	-	393.57	-	-	-	-	393.57
TOTAL(A)+(B)+(C)	10,472.41	4,830.50	(5.28)	49.96	15,247.67	1,162.39	602.04	9.94	1,754.49	13,493.18

- a. - Office Premises includes fully paid unquoted shares in respect of ownership of Office Premises in 2 Co-operative Society (31 March 2023: 2 Co-operative Society); 15 shares (31 March 2023: 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 2023: 1 Co-operative Housing Society); 10 shares (31 March 2023: 10 shares) of Rs.50/- each.
- b. Motor Vehicles of Original Cost Rs. 121.02 Lakhs- as at 31st March 2024 (Previous Year as at 31st March 2023 Rs. 134.73 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.35.
- 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 41.
- g. **Amount recognised in Profit & Loss for Investment Properties:**

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Rental income	10.01	9.19
Direct operating expenses from property that generated rental income	(1.00)	(0.98)
Direct operating expenses from property that did not generate rental income	-	-
Impact of IND AS on Lease Rentals	0.09	0.28
Profit from investment properties before depreciation	9.10	8.49
Depreciation	-	-
Profit from investment property	9.10	8.49

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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 - Leasehold	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)	8528.15	2345.01	4.51	405.26	10472.41	738.12	427.99	3.72	1162.39	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: 10 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.35.
- 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 41.
- 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
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

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 4 : FINANCIAL ASSETS - INVESTMENTS (NON - CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Units	Amount	No. of Units	Amount
A. Other Investments				
Carried at amortised Cost (Unquoted and fully paid up)				
Carried at fair value through profit or loss				
In Mutual Funds (Quoted and fully paid up)	3,03,48,807.581	10,795.25	2,06,58,491.151	8,933.12
(Also Refer Note (a))				
TOTAL (A)		10,795.25		8,933.12
Aggregate Amount of Quoted Investment - At Cost		9,668.67		8,573.21
Aggregate Amount of Quoted Investment - At market value		10,795.25		8,933.12
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, 2024			As at March 31, 2023		
	No. of Units	At Cost	At MV	No. of Units	At Cost	At MV
Investment in Mutual Fund (Quoted & Fully Paid Up)	30,00,504.18	717.75	923.52	30,00,504.18	717.75	855.01

NOTE 5: FINANCIAL ASSETS - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits (Refer Note i. Below)	125.61	102.49
Fixed Deposits maturing after 12 months (Refer Note ii. Below)	31.73	135.08
TOTAL	157.34	237.57

Note :

- i. Security deposits (for Leasing of Premises) includes dues from Directors and its relatives as under: (Also Refer Note No 42).

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Dues from Directors	18.99	17.73
Dues from relative of Directors	19.32	18.03

- ii. Receipts Pledged/Lien with Bank towards Bank Guarantee (Also refer Note No 35).

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 6: INCOME TAX

A. COMPONENTS OF INCOME TAX EXPENSE

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
I. Tax expense recognised in statement of profit & loss		
Current Tax		
Current year	3,447.94	2,418.68
Sub-Total	3,447.94	2,418.68
Deferred tax charge/ (credit)		
Origination and reversal of temporary difference	175.65	99.43
Sub-Total	175.65	99.43
Total	3,623.59	2,518.11
II. Tax on other comprehensive income		
Items that will not be reclassified to Profit and Loss		
Remeasurement of the Defined Benefit Plans	(9.57)	0.09
Total	(9.57)	0.09

B. RECONCILIATION OF EFFECTIVE TAX RATES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit/(loss) before tax	15,756.70	11,479.88
Enacted Income Tax Rate in India	25.17%	25.17%
Income Tax expense calculated at enacted corporate tax rate	3,965.96	2,889.49
Effect of income that is exempt from tax	(481.86)	(5.21)
Effect of expenses that are not deductible in determining taxable profit	25.18	24.82
Effect of income which is taxed at special rates	9.77	3.93
Effect of Fair Value Gains / (Loss)	(189.73)	(75.52)
Effect of difference between India and foreign tax rates and non taxable subsidiaries	202.97	(165.80)
Others	(84.36)	(252.79)
Total	3,447.93	2,418.92
Effective tax rate for the year	21.88%	22.38%

Notes to accounts forming part of financial statement for the year ended March 31, 2024

C. MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

(Rs. In Lakhs)

Particular	Net deferred tax asset / (liabilities) as on April 01, 2023	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on March 31, 2024
Deferred tax assets/ (liabilities)				
Property, plant and equipment	(213.51)	(81.32)	-	(294.83)
Investments	(38.26)	(96.83)	-	(135.09)
Investment Property	32.35	6.75	-	39.10
Employee benefits	(1.42)	(0.26)	1.68	-
Other Current Assets	8.73	(4.00)	-	4.73
Deferred tax assets/ (liabilities)	(212.11)	(175.66)	1.68	(386.09)

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)

D. DEFERRED TAX ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets		
Employee Benefits	-	(1.42)
Investment Property	39.10	32.35
Other Current Assets	4.73	8.73
Total	43.83	39.66
Deferred Tax Liabilities		
Property, Plant and Equipment	294.83	213.51
Investments	135.09	38.26
Total	429.92	251.77
NET DEFERRED TAX ASSETS / (LIABILITIES)	(386.09)	(212.11)

NOTE 7: NON CURRENT ASSETS - INCOME TAX

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance payment of Income Tax (Net of Provision)	756.78	331.66
Total	756.78	331.66

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 8: OTHER NON-CURRENT ASSETS

(Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances (Refer Note No 35)	414.35	432.41
Advances Other than Capital Advances		
Advance tax (Net of Provision)	-	17.98
Total	414.35	450.39

NOTE 9: INVENTORIES

(At Lower of Cost and Net Realisable Value)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(As taken, valued and certified by the management)		
Raw Materials	3,335.87	3,408.76
Finished Goods (including in Transit)	1,496.99	1,038.30
Others (Packing Material)	177.83	282.30
Total	5,010.69	4,729.36

NOTE 10: FINANCIAL ASSETS - INVESTMENTS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Unit	Amount	No. of Unit	Amount
Investment in Liquid Mutual Funds (At Fair value through Profit & Loss)	1,45,666.407	3,876.30	-	-
Investment in Liquid Mutual Funds (Quoted and fully paid up)				
Total		3,876.30	-	-
Aggregate Amount of Quoted Investment - At Cost		3,849.81		-
Aggregate amount of Quoted Investments - At market value		3,876.30		-

NOTE 11: FINANCIAL ASSETS - TRADE RECEIVABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables		
Unsecured - Considered Good	13,881.66	10,140.06
Total	13,881.66	10,140.06

Notes :

- i. Trade receivable includes (Also Refer Note No 42):
 - Dues from Private Companies in which any Director is a director or member - Rs. NIL/- as at 31st March 2024(Previous Year Rs. NIL/-.)
- ii. Refer Note - 39 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 31,2024					
	< 6 Months	6 months to 1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed						
Considered Good	12,544.71	291.60	418.64	125.90	500.81	13,881.66
Total	12,544.71	291.60	418.64	125.90	500.81	13,881.66

Notes to accounts forming part of financial statement for the year ended March 31, 2024

(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	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

NOTE 12: FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks in Current Accounts	1,431.86	3,023.93
Cash on Hand	23.43	31.72
Fixed Deposits maturing within 3 months	819.22	700.99
Total	2,274.51	3,756.64

NOTE 13: FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid Dividend Account (Refer Note i. Below)	3.91	3.90
Fixed Deposits maturing between 3 to 12 months (Refer Note ii. Below)	1,713.40	2,196.42
Total	1,717.31	2,200.32

Note :

- i. The Current Account balance includes unpaid dividend of Rs. 3.91 Lakhs as at 31st March 2024 (Previous Year as at 31st March 2023 Rs. 3.90 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.67.30 Lakhs as at 31st March 2024 (Previous Year Rs.28.40 Lakhs) - Towards Bank Guarantee ; (Also Refer Note no 35).
 - Rs.405.00 Lakhs as at 31st March 2024 (Previous Year Rs.860.00 Lakhs) - towards Overdraft Facility availed. (Also Refer Note no 21).
 - Rs.115.00 Lakhs as at 31st March 2024 (Previous Year Rs. 140.10.00 Lakhs) - towards Letter of Credit Facility availed.

NOTE 14: FINANCIAL ASSETS - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued (Also Refer Note No 13)	18.88	39.02
Advances	-	28.74
Other Deposits	73.68	3.55
Dividend Receivable	113.88	-
Total	206.44	71.31

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 15: OTHER CURRENT ASSETS

(Unsecured Considered Good unless stated otherwise)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances Other than capital advances		
Advance to Employees	9.19	2.24
Advances to Suppliers	194.96	223.61
Prepaid Expenses	135.84	147.31
Balances with Government Authorities	46.22	162.04
Advances to Related parties	243.13	65.50
Others		
Export Incentive Receivable	60.39	23.04
Insurance Claim Receivable	152.02	-
Deposit	43.53	46.70
Other Loans and Advances	11.70	104.46
Total	896.98	774.90

NOTE 16: ASSETS CLASSIFIED AS HELD FOR SALE

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
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 2024-2025.

- ii. Further the fair value of these asset is higher than its carrying value as on 31st March 2024 and hence no impairment loss has been recognised.

NOTE 17: EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
14,00,00,000 (Previous year as at 31st March 2023 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		
11,07,64,989 (Previous year as at 31st March 2023 11,07,48,420) Equity Shares of Rs. 2/- each fully paid up	2,215.30	2,214.97
TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	2,215.30	2,214.97

Notes to accounts forming part of financial statement for the year ended March 31, 2024

a) Reconciliation of the number of shares outstanding :

(Rs. In Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning	11,07,48,420	2,214.97	11,07,48,420	2,214.97
Add: Issued during the year	16,569	0.33	-	-
Shares at the end of the year	11,07,64,989	2,215.30	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, 2024		As at March 31, 2023	
	No. of Shares	%	No. of Shares	%
Mr. Surender Tibrewala (Refer Note No i. Below)	6,12,31,286	55.28%	6,12,31,286	55.29%

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, 2024		As at March 31, 2023	
	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, 2024

- 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, 2024		As at March 31, 2023		2023-24	2022-23
	No. of shares	% of Total shares	No. of shares	% of Total shares	% Change Inc / (Dec)	
Surendrakumar Deviprasad Tibrewala	6,08,85,786	54.97%	6,08,85,786	54.98%	-	-
Sanjay Tibrewala	34,34,990	3.10%	34,34,990	3.10%	-	4.60%
Kanaklata Tibrewala	32,81,700	2.96%	32,81,700	2.96%	-	-
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%	-	-
Surendra Tibrewala Huf	3,45,500	0.31%	3,45,500	0.31%	-	-
Aarti Mitesh Jhunjhunwala	81,050	0.07%	81,050	0.07%	-	223.55%
Ritu Aditya Gupta	11,000	0.01%	11,000	0.01%	-	-
Mitesh Vinod Jhunjhunwala	1,001	0.00%	1,001	0.00%	-	-
Nidhi Sanjay Tibrewala	1,000	0.00%	1,000	0.00%	-	-

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2022(A)	10.85	30.99	806.20	23,066.19	4.29	81.00	23,999.52
<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 40)	-	-	-	-	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 (B)	-	-	-	8,831.84	23.71	239.36	9,094.91
<u>Reductions during the year:</u>							
Transactions with Owners in their capacity as Owners:							
Dividend for the year ended March 31, 2022	-	-	-	(442.99)	-	-	(442.99)
Total (C)	-	-	-	(442.99)	-	-	(442.99)
Balance as at March 31, 2023 (D)=(A+B+C)	10.85	30.99	806.20	31,455.04	28.00	320.36	32,651.44
<u>Additions during the year:</u>							
Profit for the period	-	-	-	11,980.84	-	-	11,980.84
Addition for equity share options granted (Refer Note No 40)	-	-	10.54	-	20.43	-	30.97
Currency Translation Reserve	-	-	-	1,824.48	-	(1,752.74)	71.74
Items of OCI for the year, net of tax:							
Remeasurement of the defined benefit plans	-	-	-	(23.62)	-	-	(23.62)
Total Comprehensive Income for the year 2023-2024 (E)	-	-	10.54	13,781.70	20.43	(1,752.74)	12,059.93
Transactions with Owners in their capacity as Owners:							
Company incorporation / share issue expenses	-	-	-	(2.28)	-	-	(2.28)
Dividend for the year ended March 31, 2023	-	-	-	(885.99)	-	-	(885.99)
Interim Dividend for the FY 2023- 24	-	-	-	(1,329.18)	-	-	(1,329.18)
Total (F)	-	-	-	(2,217.45)	-	-	(2,217.45)
Balance as at March 31, 2024 (D+E+F)	10.85	30.99	816.74	43,019.29	48.43	(1,432.38)	42,493.92

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	Year ended March 31, 2023
Corporate Dividend Paid During the year to Equity Share Holders		
Final Dividend Paid for FY 2022-2023	885.99	442.99
Dividend Per Fully Paid Up Share	0.80	0.40
Interim Dividend paid for FY 2023-24	1,329.18	-
Dividend Per Fully Paid Up Share	1.20	-
Final Dividend on Equity shares not recognised as liability	443.06	885.99
Dividend Per Fully Paid Up Share	0.40	0.80

NOTE 19: FINANCIAL LIABILITIES - OTHERS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit Received from Customers	96.92	103.70
Total	96.92	103.70

NOTE 20: PROVISIONS (NON-CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Gratuity Payable	34.80	2.83
Total	34.80	2.83

NOTE 21: FINANCIAL LIABILITIES - SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
SECURED :		
Loans repayable on demand		
From Banks (Refer note below)	519.02	728.02
Total	519.02	728.02

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

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 22: FINANCIAL LIABILITIES - TRADE PAYABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed		
MSME (Refer Note Below)	950.29	-
Others	6,330.44	4,735.83
Total	7,280.73	4,735.83

Trade payable aging schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from date of transactions				
	As at March 31, 2024				
	< 1 Year	1-2 years	2-3 years	> 3 Years	Total
Undisputed					
i) MSME	950.29	-	-	-	950.29
ii) Others	6,200.65	3.71	13.78	112.30	6,330.44
Total	7,150.94	3.71	13.78	112.30	7,280.73

(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

NOTE 23: FINANCIAL LIABILITIES - OTHERS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on Trade Deposit	15.76	11.64
Unclaimed / Unpaid Dividend	3.91	3.90
Dividend payables	44.58	-
Total	64.25	15.54

Note:

There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March 2024.

NOTE 24: OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from Customer	23.85	34.18
Advance received for Asset held for Sale (Also Refer Note No 16)	107.00	107.00
Payable to Employees (Also Refer Note No 40)	110.55	93.81
Statutory Payments	119.06	143.46
Other Payables	270.67	322.47
Accrual	398.83	168.02
Total	1,029.96	868.94

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 25: PROVISIONS (CURRENT)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Provision for Leave Encashment	11.52	9.09
Other	0.15	-
Provision for Bonus	31.76	26.76
Total	43.43	35.85

NOTE 26: CURRENT TAX LIABILITIES (NET)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax Payable (Net of Advance Tax Paid)	3.81	-
Total	3.81	-

NOTE 27A: REVENUE FROM OPERATIONS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Products	56,756.94	51,573.39
Other Operating Income:		
Technical Fees	45.52	27.15
Export Incentives & Entitlements	94.57	99.03
Total	56,897.03	51,699.57

NOTE 27 - B: REVENUE FROM CONTRACTS WITH CUSTOMERS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	44,538.16	39,616.04
Exports	12,218.78	11,957.35
Total	56,756.94	51,573.39

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 28: OTHER INCOME

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income from Financial Asset Carried at Amortised Cost	195.48	104.67
Dividend Income		
Received from Quoted Investments measured at FVTPL	1.28	0.64
Rent Income	7.29	7.29
Cash rebate on credit card	0.01	0.05
Consultancy charges	-	12.89

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Non - Operating Income		
Foreign Exchange Fluctuation	130.79	213.22
Net gains / (losses) on fair value changes	1,282.61	338.95
Miscellaneous Income	36.29	52.74
Total	1,653.75	730.45

NOTE 29: COST OF MATERIALS CONSUMED

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw Material Consumed	32,610.27	32737.86
Packing Material Consumed	1,392.49	1324.68
Total	34,002.76	34,062.54

NOTE 30: PURCHASE OF STOCK IN TRADE

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of Stock in Trade	1,412.98	128.46
Total	1,412.98	128.46

NOTE 31: CHANGES IN INVENTORIES OF FINISHED GOODS/STOCK IN TRADE

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Stocks :		
Finished Goods (including goods in transit)	1,133.99	887.36
Stock In Trade	-	498.19
Raw Material	497.71	-
Less : Closing Stocks :		
Finished Goods	1,498.74	1,149.55
Stock In Trade	-	504.45
Raw Material	667.49	-
NET CHANGE IN INVENTORIES	(534.53)	(268.45)

NOTE 32: EMPLOYEE BENEFIT EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, Wages and Bonus	1,927.48	1,670.31
Contribution to Provident and Other Funds	63.39	58.11
Gratuity (Refer Note No 40)	12.45	11.72
Staff Welfare Expenses	73.27	54.62
Employee Stock Option Plan (Refer Note No 40)	20.43	23.71
Levy fees	1.14	1.14
Allowances	18.31	18.38
Total	2,116.47	1,837.99

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 33: FINANCE COST

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses on Financial Liabilities carried at amortised Cost		
On Borrowing	34.50	19.91
Others (Including Interest on delay / deferred payment)	0.01	0.89
Bank and Other Financial Charges	98.63	61.25
Total	133.14	82.05

NOTE 34: OTHER EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of Stores and Spares	15.62	18.68
Toll Conversion Charges	330.26	332.31
Power, Fuel and Utilities	174.65	157.59
Lease Rent / Hire Charges	329.60	282.17
Outward Freight Charges	799.96	820.99
Technical Fees	377.48	242.10
Repairs & Maintenance on :		
Building	191.62	142.97
Plant and Machinery	28.91	48.22
Other Repairs	60.96	63.92
Insurance	86.38	93.25
Rates and Taxes	12.10	11.60
Payment to Auditors:		
Audit Fees	15.75	15.92
Transfer Pricing Audit Fees	0.30	1.58
Taxation and Other Advisory Matters	1.25	-
Certification Charges and Others	0.29	2.27
Other Services	11.13	9.33
Reserch & Development Expenses	103.72	60.47
Printing & Stationery	30.77	24.36
Security Charges	42.03	55.42
Professional Fees	356.34	287.15
Travelling and Conveyance	312.57	281.44
Commission	1,000.56	1,035.51
Advertisement, Publicity & Sales Promotion	61.68	27.69
Foreign Exchange Fluctuation (Net)	12.88	32.00
Expenditure towards Corporate Social Responsibility	88.50	113.36
Donations	2.21	1.99
Miscellaneous Expenses	613.70	517.27
Total	5,061.22	4,679.56

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 35: CONTINGENT LIABILITIES AND COMMITMENTS

1. Bank Guarantee (Refer Note no 5 & 13)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding Bank Guarantees issued by Bankers	456.88	113.65
Total	456.88	113.65

2. Commitments (Refer Note No 8)

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated Amount of Capital Commitments remaining to be executed on account of	616.55	1,192.29
Less: Advances Paid	413.12	432.41
Net Capital Commitments	203.43	759.88

NOTE 36: EARNINGS PER SHARE

(Rs. In Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to the owners of the company	11980.84	8831.58
Weighted Average Number of Equity Shares Face Value of Rs. 2/- each	11,07,52,947	11,07,48,420
Earnings Per Share - Basic & Diluted	10.82	7.97

NOTE 37: 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, 2024	As at March 31, 2023
Total interest bearing financial liabilities	615.94	831.72
Less : Cash and Cash Equivalents	2274.51	3756.64
Adjusted Net Debt	(1,658.57)	(2,924.92)
Total Equity	44,709.22	34,866.41
Adjusted Equity	(0.04)	(0.08)
Net Debts to Equity Ratio - Times	(0.04)	(0.08)

NOTE 38: FINANCIAL INSTRUMENTS - CLASSIFICATION AND FAIR VALUE MEASUREMENT

(a) Financial Assets and Liabilities

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Fair Value through Profit & Loss		
Investments Other than Investment in Bonds	14671.55	8933.12

Notes to accounts forming part of financial statement for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Amortised Cost		
Trade Receivables	13881.66	10140.06
Cash & Cash Equivalents	2274.51	3756.64
Other Bank Balances	1717.31	2200.32
Other Financial Assets	363.78	308.88
Total	32908.81	25339.02
Financial Liabilities		
Amortised Cost		
Borrowings	519.02	728.02
Trade Payable	7280.73	4735.83
Other Financial Liabilities	161.17	119.24
Total	7960.92	5583.09

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, 2024	As at March 31, 2023
Financial Assets		
Level 1		
Investments in quoted mutual fund units	14,671.55	8,933.12
Level 2		
Security Deposit Given	102.11	85.58
Total	14,773.66	9,018.70
Financial Liabilities		
Level 2		
Security Deposit Accepted	2.90	2.70
Total	2.90	2.70

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 39: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk. In order to minimize any adverse effects on the financial performance of the Company

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	Measurement	Management
Credit risk	Ageing analysis	Diversification of bank deposits, credit limit and letter of credit
Market risk - foreign currency risk	Very limited Exposer	Company manages through natural Hedge
Market risk - Security prices risk	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, 2024	As at March 31, 2023
Fixed-rate instruments		
Financial Liabilities - Borrowings	615.94	831.72
Total	615.94	831.72

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, 2024	As at March 31, 2023
Investments in Quoted Mutual Funds	14,671.55	8,933.12
Total	14,671.55	8,933.12

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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

(Rs. In Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Mutual Funds	1,467.15	(1,467.15)	893.31	(893.31)
Total	1,467.15	(1,467.15)	893.31	(893.31)

(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, 2024	As at March 31, 2023
Financial Assets			
Trade and other receivables	USD	43.72	39.19
Cash & Cash Equivelent	USD	16.87	28.22
Cash & Cash Equivelent	EURO	0.01	0.12
Cash & Cash Equivelent	POUND	-	0.00
Cash & Cash Equivelent	YEN	-	1.50
Financial Liabilities			
Trade and other payables	USD	16.32	7.05
Trade and other payables	EURO	0.21	-

Sensitivity analysis to currency risk

(Rs. In Lakhs)

Foreign Currency	As at March 31, 2024		As at March 31, 2023	
	3% increase	3% Decrease	3% increase	3% Decrease
USD	110.70	(110.70)	148.70	(148.70)
EURO	(0.54)	0.54	0.31	(0.31)
POUND	-	-	0.00	(0.00)
YEN	0.00	(0.00)	0.03	(0.03)
Total	110.16	(110.16)	149.04	(149.04)

(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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024 and 2023 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, 2024		As at March 31, 2023	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Working Capital Loans from Banks	519.02	-	728.02	-
Trade Payables	7,150.94	129.79	4,727.70	8.13
Other Financial Liabilities	64.25	96.92	15.54	103.70
Total	7,734.21	226.71	5,471.26	111.83

(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 40: 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 2024.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

(A) Defined benefit plans

i Retiring Gratuity

I Components of Employer Expenses

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Current Service Cost	12.65	11.53
Interest Cost	4.50	3.48
Expected Return on Plan Assets	(4.70)	(3.29)
Actuarial (Gain) / Loss	30.54	(0.87)
Total Expenses/(Gain) recognized in the Profit & Loss Account	42.99	10.85

II Net Asset/ (Liability) recognized in Balance Sheet

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Present value of Funded Obligation	108.95	61.75
Fair Value of Plan Assets	74.15	58.92
Assets/(Liability) recognized in the Balance Sheet	34.80	2.83

III Change in Defined Benefit Obligations (DBO)

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening Balance of Present Value of Obligation	61.73	50.29
Interest Cost	4.50	3.48
Current Service Cost	12.65	11.53
Actuarial (Gain)/Loss	-	(1.09)
Benefit Paid	30.06	(2.48)
Closing Balance of Present Value of Obligation	108.94	61.73

IV Changes in the Fair Value of Plan Assets

(Rs. In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening Balance of Present Value of Obligation	58.91	36.69
Adjustment to opening value of plan Assets	-	0.19
Expected Return on Plan Assets	(0.49)	(0.22)
Interest Income	4.70	3.29
Contribution by Employer	11.03	21.44
Benefit Paid	-	(2.48)
Fair Value of Plan Assets as at 31st March	74.15	58.91

V Actuarial Assumption

Particulars	March 31, 2024	March 31, 2023
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.

Notes to accounts forming part of financial statement for the year ended March 31, 2024

VI Major Categories of plan assets as a percentage of total plan assets

Particulars	March 31, 2024	March 31, 2023
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, 2024	March 31, 2023
Net Opening Liability	2.83	13.41
P & L Charges	12.45	11.72
Contribution paid	(11.02)	(21.43)
Other Comprehensive Income (OCI)	30.54	(0.87)
Closing Net Liability	34.80	2.83

VIII Gratuity - Sensitivity Analysis

(Rs. In Lakhs)

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Salary Growth Rate (1% movement)	118.81	100.45	67.05	57.13
Discount Rate (1% movement)	99.25	120.44	56.14	68.41

(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.75.84 Lakhs(Previous year Rs.69.83 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 - I

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	41,511
Granted during the year	-
Forfeited/cancelled during the year	4,479
Lapsed during the year	-
Exercised during the year	8,569

Notes to accounts forming part of financial statement for the year ended March 31, 2024

Particulars	
Outstanding at the end of the year	28,463
Exercisable at the end of the year	-
Weighted average remaining contractual life	6 Month
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

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%
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

Plan Description - II

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	8,000
Granted during the year	-
Forfeited/cancelled during the year	-
Lapsed during the year	-
Exercised during the year	8,000
Outstanding at the end of the year	-
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 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%
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

Notes to accounts forming part of financial statement for the year ended March 31, 2024

Plan Description - III

Particulars	
Grant date	May 20, 2023
No of options granted	6,274
Exercise price per option	Rs. 215
Vesting period	2.50
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	6,274
Forfeited/cancelled during the year	-
Lapsed during the year	859
Exercised during the year	-
Outstanding at the end of the year	5,415
Exercisable at the end of the year	-
Weighted average remaining contractual life	1.50 Year
Weighted average Exercise price in Rs.	215
Range of exercise price in Rs.	Rs 215.00 to Rs.215.00
The weighted average share price for options exercised during year in Rs.	NA

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

Particulars	
Expected dividend yield (p.a.)	0.16%
Expected volatility (p.a.)	48%
Risk-free interest rate (p.a.)	6.55%
Share Price at grant date (Rs.)	254.90
Exercise price (Rs.)	215.00
Expected life of options granted in years (no. of years)	3.00
Weighted average fair value per option (Rs.)	113.62

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.

NOTE 41: 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, 2024	As at March 31, 2023
(a)	In respect of operating lease on Immovable properties payments recognized in Statement of Profit and Loss.	329.60	282.17
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	111.10	106.33
	For the period later than one year and not later than five years	115.97	129.24

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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, 2024	As at March 31, 2023
(a)	In respect of Immovable properties given under operating lease, lease rent received and recognized in Statement of Profit and Loss.	9.00	9.00
(b)	Future minimum lease payments under operating leases		
	For a period not later than one year	9.00	9.00
	For the period later than one year and not later than five years	-	-

NOTE 42: 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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
REMUNERATION TO DIRECTORS						
Sonai Kedha Sankar	22.26	0.31	-	-	22.26	0.31
Total	22.26	0.31	-	-	22.26	0.31

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
NIL						

Note:

Related parties are identified by the Company and relied upon by the Auditors.

FINEOTEX CHEMICAL LIMITED

Notes to accounts forming part of financial statement for the year ended March 31, 2024

NOTE 43: 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 March 2024	80.10%	35,813.82	76.64%	9,182.66	100.00%	(23.62)	76.60%	9,159.04
31 March 2023	77.32%	26,958.65	58.90%	5,201.90	100.00%	0.26	58.90%	5,202.16
Subsidiaries								
Indian								
Manya Manufacturing India Private Limited (Formerly Known as Manya Steel Private Limited)								
31 March 2024	0.11%	50.23	0.10%	11.98	0.00%	-	0.10%	11.98
31 March 2023	0.11%	38.25	0.11%	9.56	0.00%	-	0.11%	9.56
FSPL Specialities Private Limited (Formerly Known As Fineotex Specialities Private Limited)								
31 March 2024	13.55%	6,059.65	20.21%	2,421.93	0.00%	-	20.25%	2,421.93
31 March 2023	13.16%	4,587.72	43.40%	3,833.12	0.00%	-	43.40%	3,833.12
Finoclean Specialities Private Limited								
31 March 2024	0.22%	98.23	0.00%	0.50	0.00%	-	0.00%	0.50
31 March 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
Fineotex Biotex Healthguard FZE (Formerly Known as Fineotex Specialities FZE)								
31 March 2024	0.23%	104.11	0.62%	73.96	0.00%	-	0.62%	73.96
31 March 2023	0.44%	152.39	(0.04%)	(3.42)	0.00%	-	(0.04%)	(3.42)
Fineotex Malaysia Limited								
31 March 2024	6.46%	2,887.61	0.55%	65.92	0.00%	-	0.55%	65.92
31 March 2023	10.27%	3,579.85	3.93%	347.24	0.00%	-	3.93%	347.24

Notes to accounts forming part of financial statement for the year ended March 31, 2024

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
BT Chemicals SDN BHD								
31 March 2024	1.35%	605.41	3.47%	415.83	0.00%	-	3.48%	415.83
31 March 2023	0.99%	346.71	3.16%	279.27	0.00%	-	3.16%	279.27
BT Biotex SDN BHD								
31 March 2024	1.64%	733.66	(0.24%)	(28.68)	0.00%	-	(0.24%)	(28.68)
31 March 2023	2.28%	793.51	0.43%	38.24	0.00%	-	0.43%	38.24
Rovatex SDN BHD								
31 March 2024	0.46%	204.96	0.42%	50.63	0.00%	-	0.42%	50.63
31 March 2023	0.51%	176.28	1.57%	138.38	0.00%	-	1.57%	138.38
BT Biotex Limited								
31 March 2024	0.85%	379.84	0.55%	65.92	0.00%	-	0.55%	65.92
31 March 2023	1.02%	355.61	(0.45%)	(40.09)	0.00%	-	(0.45%)	(40.09)
Non-Controlling interests in all subsidiaries								
31 March 2024	(1.45%)	(647.10)	(1.02%)	(121.63)	0.00%	-	(1.02%)	(121.63)
31 March 2023	(2.01%)	(700.66)	(1.40%)	(123.90)	0.00%	-	(1.40%)	(123.90)
Intercompany Elimination & Consolidation Adjustment								
31 March 2024	(3.54%)	(1,581.20)	(1.32%)	(158.19)	0.00%	-	(1.32%)	(158.19)
31 March 2023	(4.08%)	(1,421.91)	(9.61%)	(848.71)	0.00%	-	(9.61%)	(848.71)
Total								
31 March 2024	100.00%	44,709.22	100.00%	11,980.84	100.00%	(23.62)	100.00%	11,957.22
31 March 2023	100.00%	34,866.41	100.00%	8,831.58	100.00%	0.26	100.00%	8,831.84

44 SEGMENT REPORTING

As the company has only one primary business activity, Segment Reporting is not applicable as per Ind AS 108 - Operating Segments

45 Loans given, Investments made and Corporate Guarantees given u/s 186(4) of the Companies Act, 2013 are disclosed under the respective notes.

46 Balances of Trade Receivables, Trade Payables, Advances and Deposits received / given, from / to customers are subject to confirmation and subsequent reconciliation

Notes to accounts forming part of financial statement for the year ended March 31, 2024

47 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

Dividend Proposed to be distributed:

(Rs. In Lakhs)

Name	Year ended March 31, 2024	Year ended March 31, 2023
<u>Corporate Dividend for Equity Shareholders Proposed for the year</u>		
Final Dividend Proposed	443.06	885.99
Dividend Proposed Per Fully Paid Up Share	0.40	0.80

The Board of Directors at its meeting held on 28th May, 2024 have recommended a payment of final dividend of Rs.0.40/- (Rupee fourty paise only) per equity share of face value of Rs.2/- each for the financial year ended 31st March, 2024.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

48 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, 28th May 2024

For and on behalf of the Board of Directors

Sanjay Tibrewala
Executive Director & CFO
DIN: 00218525

Aarti Jhunjunwala
Executive Director
DIN: 07759722

Sunny Parmar
Company Secretary
M No. A67264

Mumbai, 28th May 2024



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