



FAIRCHEM
A FAIRFAX COMPANY

FAIRCHEM ORGANICS LIMITED

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

Date: May 17, 2022

To,
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block
Bandra-kurla Complex
Bandra (E)
Mumbai – 400 051.

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

Ref : BSE Code: 543252 and NSE Symbol: 'FAIRCHEMOR'

Sirs,

Sub: Regulation 30 - Outcome of Meeting of Board of Directors held on 17-05-2022

This is to bring to your kind notice that a meeting of the Board of Directors was held today i.e., May 17, 2022 through audio – visual means, which commenced at 3.15 p.m. and concluded at 5.00 p.m. As required under Regulation 30 (Schedule III Part – A (4)) of SEBI (LODR) Regulations, 2015. We give below the main outcome of the said Board Meeting:

1. Considered and approved Audited Financial results for the quarter and year ended on March 31, 2022 prepared under Ind-AS for the financial year ended March 31, 2022.
2. Declaration by Company Secretary regarding unmodified opinions on Audited Financial results by the Statutory Auditors.
3. Recommendation of Dividend @130% i.e., Rs. 13.00 per equity share (on par value of Rs. 10/), subject to approval of the shareholders in the ensuing AGM.
4. Appointment of Shri Nahoosh Jariwala, Managing Director as the Chairman of the Board of Directors of the Company also.
5. Pursuant to Regulation 30(5) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board of Directors has authorized the below mentioned Key managerial personnel for the purpose of determining materiality of an event or information and for making disclosures to the Stock Exchanges:

Sr. No	Name of the Key Managerial Personnel	Designation	E-mail id	Contact number
1	Shri Nahoosh J. Jariwala	Managing Director	1. njj@fairchem.in	02717-687900
2	Mr. Rajen N. Jhaveri	Chief Financial Officer and Company Secretary	2. rajenjhaveri@fairchem.in 3. cs@fairchem.in	02717-687901



FAIRCHEM
A FAIRFAX COMPANY

FAIRCHEM ORGANICS LIMITED

Continuous Sheet No.

Please take the above on your record.

Thanking You,

Yours faithfully,
For Fairchem Organics Limited,


Rajen Jhaveri
Chief Financial Officer & Company Secretary
Encl: as above



FAIRCHEM ORGANICS LIMITED

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 253/P & 312, Village Chekhala, Sanand - Kadi Highway, Taluka Sanand, Dist. Ahmedabad - 382 115, Gujarat, INDIA
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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

		(Rs. In Lakhs)				
		Quarter ended			Year ended	
		31-Mar-2022	31-Dec-2021	31-Mar-2021	31-Mar-2022	31-Mar-2021
		Audited (Refer note 2)	Unaudited	Audited (Refer note 2)	Audited	Audited
I	Income					
	(a) Revenue from operations	17,736.98	15,827.19	15,909.35	64,227.98	39,579.01
	(b) Other operating revenue	26.68	15.87	23.47	90.46	77.93
II	Other income	2.63	9.13	25.91	36.16	28.22
III	Total income (I + II)	17,766.29	15,852.19	15,958.73	64,354.60	39,685.16
IV	Expenses					
	Cost of materials consumed	12,984.51	13,933.61	12,119.29	47,090.23	27,766.25
	Changes in inventories of finished goods and work-in-progress	778.13	(2,389.33)	(807.42)	(1,220.33)	(1,086.83)
	Employee benefits expense	435.78	450.66	425.90	1,774.68	1,607.88
	Finance costs	166.70	153.10	230.00	685.55	697.81
	Power and fuel	1,000.44	1,119.13	748.90	3,640.49	2,137.35
	Depreciation and amortisation expenses	185.50	181.63	163.06	713.10	657.33
	Other expenses	692.58	597.16	677.62	2,546.84	2,349.29
	Total expenses	16,243.64	14,045.96	13,557.35	55,230.56	34,129.08
V	Profit before tax (III - IV)	1,522.65	1,806.23	2,401.38	9,124.04	5,556.08
VI	Tax expense					
	Current tax	399.86	398.85	536.29	2,190.15	1,319.58
	Deferred tax	(1.53)	62.00	(17.90)	143.25	(11.97)
	Total tax expense	398.33	460.85	518.39	2,333.40	1,307.61
VII	Profit for the period after tax (V - VI)	1,124.32	1,345.38	1,882.99	6,790.64	4,248.47
VIII	Other comprehensive income					
	Items that will not be reclassified to profit or loss:					
	- Remeasurement (losses) / gains on post employment defined benefit plans	14.98	15.88	(53.49)	8.82	(62.93)
	- Income tax effect	(3.77)	(4.00)	13.46	(2.22)	15.84
	Other comprehensive income for the year / period, net of tax	11.21	11.88	(40.03)	6.60	(47.09)
IX	Total comprehensive income (VII + VIII)	1,135.53	1,357.26	1,842.96	6,797.24	4,201.38
X	Paid - up Equity Share Capital (Face Value of Rs. 10/- each)	1,302.09	1,302.09	1,302.09	1,302.09	1,302.09
XI	Earnings Per Share (EPS) of Rs. 10/- each (Not annualised) (In Rs.)					
	Basic	8.63	10.33	14.46	52.15	32.63
	Diluted	8.63	10.33	14.46	52.15	32.63

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CIN: L24200GJ2019PLC129759

AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2022

		(Rs. in Lakhs)	
		As At	
		31-Mar-2022	31-Mar-2021
		Audited	Audited
A	Assets		
1	Non-Current Assets		
(a)	Property, Plant and Equipment	13,633.13	12,199.16
(b)	Right to use asset	421.51	427.97
(c)	Capital work-in-progress	4,199.85	2,945.29
(d)	Intangible Assets	3.18	4.77
(e)	Intangible Assets under Development	22.21	-
(f)	Financial Assets		
(i)	Other Financial Assets	17.84	17.86
(g)	Non-Current Tax Assets (Net)	189.45	183.04
(h)	Other Non-Current Assets	195.66	298.76
		18,682.83	16,076.85
2	Current Assets		
(a)	Inventories	7,002.56	4,529.49
(b)	Financial Assets		
(i)	Trade Receivables	6,222.15	4,676.73
(ii)	Cash and cash equivalents	0.83	2.60
(iii)	Bank balances other than (ii) above	15.23	18.10
(iv)	Loans	1.30	0.17
(v)	Other Financial Assets	0.75	0.50
(c)	Other Current Assets	481.88	555.82
		13,724.70	9,783.41
	Total Assets	32,407.53	25,860.26
B	Equity And Liabilities		
	Equity		
(a)	Equity Share Capital	1,302.09	1,302.09
(b)	Other Equity	21,912.87	15,571.36
		23,214.96	16,873.45
	Liabilities		
1	Non- Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	998.70	2,598.20
(b)	Provisions	174.98	177.20
(c)	Deferred Tax Liabilities (Net)	1,280.56	1,135.09
		2,454.24	3,910.49
2	Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	5,204.32	3,082.14
(ii)	Trade Payables		
(a)	Total outstanding dues of micro enterprises and small enterprises	101.46	63.34
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	803.84	1,028.13
(iii)	Other financial liabilities	75.94	207.23
(b)	Other current liabilities	359.06	459.81
(c)	Provisions	98.89	102.09
(d)	Current Tax Liabilities (Net)	94.82	133.58
		6,738.33	5,076.32
	Total Equity and Liabilities	32,407.53	25,860.26

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CIN: L24200GJ2019PLC129759

STATEMENT OF AUDITED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In Lakhs)

	Year ended on March 31, 2022	Year ended on March 31, 2021
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	9,124.04	5,556.08
Adjustments for:		
Depreciation and Amortisation	713.10	657.33
Finance Cost	685.55	697.81
Interest Income	(3.73)	(23.07)
Unrealised Foreign Exchange (Gain) / Loss	(4.47)	5.27
Provision no longer required written back	(8.42)	-
(Gain) on sale of assets	(7.92)	(4.53)
Operating Profit Before Working Capital Changes	10,498.15	6,888.89
Adjustments For Changes In Working Capital:		
(Increase) In Inventories	(2,473.07)	(1,004.88)
Decrease In Other Non Current Financial Assets	0.02	10.36
(Increase) In Trade receivables	(1,540.95)	(894.10)
(Increase) / Decrease In Current Loans	(1.13)	1.05
Decrease / (Increase) In Other Current Financial Assets	2.00	(2.00)
Decrease / (Increase) In Other current assets	82.36	(406.35)
(Decrease) / Increase In Trade and Other Payables	(186.17)	450.32
(Decrease) / Increase In Non Current Liabilities - Provisions	(2.22)	62.87
Increase In Current Liabilities - Provisions	5.62	5.40
(Decrease) / Increase In Other Current Liabilities	(100.75)	171.96
Cash Generated From Operations	6,283.86	5,283.52
Direct Taxes Paid (Net)	(2,235.33)	(1,325.15)
A. Net Cash Generated From Operating Activities	4,048.53	3,958.37
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(3,459.39)	(2,312.28)
Proceeds from Sale of Property, Plant and Equipment	37.50	8.28
Interest Income	3.48	23.81
B. Net Cash (Used In) Investing Activities	(3,418.41)	(2,280.19)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Borrowings (net)	-	2,107.42
Repayment of Long Term Borrowings (net)	(2,165.40)	(880.29)
Net Proceeds / (Repayment) of Short Term Borrowings (net)	2,688.09	(2,214.05)
Dividend Paid	(455.73)	-
Interest Paid	(698.85)	(691.74)
C. Net Cash (Used) In Financing Activities	(631.89)	(1,678.66)
Net Increase in cash and cash equivalents (A+B+C)	(1.77)	(0.48)
Cash and Cash Equivalents as at the beginning of the year	2.60	3.08
Cash and Cash Equivalents as at the end of the year	0.83	2.60

Note :

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

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Notes:

1. The above financial results, as reviewed by Audit Committee, are subsequently approved by the Board of Directors at their meeting held on May 17, 2022. The Statutory Auditors have audited the Company's financial results for the year ended March 31, 2022.
2. The figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year and the year to date unaudited figures upto the third quarter for the respective years. Also, the figures upto the end of third quarter had only been reviewed and not subjected to audit
3. The Board of Directors has recommended dividend on equity shares @ Rs. 13 per share i.e. 130 % for the year ended March 31, 2022.
4. The Company is engaged in the business of manufacturing of speciality chemicals viz. Oleo Chemicals and Intermediate Nutraceuticals. Considering the nature of Company's business, as well as based on review of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable business segment in accordance with the requirements of IND AS 108 – "Operating Segments". As almost all the revenue of the Company is from domestic sales no separate geographical segment is disclosed.
5. Pursuant to the approval of the shareholders at the second annual general meeting of the Company held on September 02, 2021 for shifting the registered office from the State of Maharashtra to the State of Gujarat, the Company has received Certificate of Registration of Regional Director Order for Change of State dated March 1, 2022 with new CIN L24200GJ2019PLC129759.
6. The Indian Parliament has approved the Code on Social Securities, 2020 ('Code') which may likely impact the contributions made by the Company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the corresponding rules are notified and will give appropriate impact in the financial results in the period in which the Code becomes effective and the related rules are notified.
7. The figures for the previous period have been regrouped/ recast, wherever necessary, to make them comparable with the figures for the current period.
8. Investors can view the unaudited / audited financial results of the company for the quarter and year ended March 31, 2022 on the company's website www.fairchem.in, on the website of the BSE www.bseindia.com and on the website of NSE www.nseindia.com.

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

Digitally signed by JARIWALA NAHOOSH
JAYVADAN
Date: 2022.05.17 16:24:58 +05'30'

Nahoosh Jariwala
Chairman and Managing Director
(DIN: 00012412)

Place: Chekhala, Taluka Sanand, Dist. AHMEDABAD
Date: May 17, 2022

B S R & Co. LLP

Chartered Accountants

903 Commerce House V,
Near Vodafone House,
Pralhadnagar, Corporate Road,
Ahmedabad - 380 051

Telephone: +91 79 7145 0001
Fax: +91 79 7145 0050

Independent Auditor's Report

To the Board of Directors of Fairchem Organics Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Fairchem Organics Limited (hereinafter referred to as the "Company") for the year ended 31 March 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2022.

Basis for Opinion

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

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

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

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related

Registered Office:

Independent Auditor's Report (Continued)

Fairchem Organics Limited

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 is/are responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter(s)

- a. The annual financial results include the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject

B S R & Co. LLP

Independent Auditor's Report (Continued)
Fairchem Organics Limited

to limited review by us.

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

Chartered Accountants

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

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DILIPKUMAR
R SHAH

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Rupen Shah

Partner

Ahmedabad

17 May 2022

Membership No.: 116240

UDIN:22116240AJCUQB4480



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May 17, 2022

To,
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block
Bandra-kurla Complex
Bandra (E)
Mumbai – 400 051.

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

Ref: BSE Code: 543252 and NSE Symbol: 'FAIRCHEMOR'

Dear Sirs,

Sub: Declaration pursuant to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

In compliance with the provisions of Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended till date, we, hereby, declare that Statutory Auditors of the Company, M/s. B S R & Co LLP, Chartered Accountants, (Reg. No. 101248W/W 100022) have issued an Audit Report dated May 17, 2022 with unmodified opinion on Audited financial results of the Company for the quarter and year ended 31st March, 2022.

Kindly take the above on your record.

Yours faithfully,

For Fairchem Organics Limited,


Rajen Jhaveri
Chief Financial Officer & Company Secretary