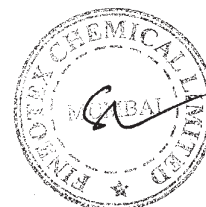


**FINEOTEX CHEMICAL LIMITED**  
 Regd. Off.:42/43, Marorama Chambers, S V Road, Bandra (W), Mumbai 400050

**STATEMENT OF AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2012**

PART-I					(Rs. In lakhs)	
SN	PARTICULARS	Quarter ended		Year ended		
		31.03.2012	31.12.2011	31.03.2012	31.03.2011	Consolidated
		Unaudited	Unaudited	Audited	Audited	Audited
<b>1</b>	<b>Income from operations</b>					
	Gross Sales/Income from Operations	978.96	871.44	3,599.39	3,061.23	8,247.79
	Less: Excise Duty	79.47	50.78	267.20	236.84	267.20
	(a)Net sales / Income from Operations (Net of Excise Duty)	899.49	820.66	3,332.19	2,824.39	7,980.59
	(b)Other Operating Income	-	-	-	-	-
	<b>Total Income from Operations (Net)</b>	<b>899.49</b>	<b>820.66</b>	<b>3,332.19</b>	<b>2,824.39</b>	<b>7,980.59</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of materials consumed	623.06	593.70	2332.39	1905.00	4407.76
	(b)Purchase of stock in trade					1270.03
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21.81	(14.51)	(2.16)	(3.46)	270.54
	(d) Employee benefits expense	40.88	36.75	136.30	112.82	355.16
	(e) Depreciation and amortisation expense	4.95	4.70	17.05	13.05	28.75
	(f) Other expenses(Any item exceeding10% of the total expenses relating to continuing operations to be shown separately)	61.31	80.94	294.34	203.08	932.88
	<b>Total expenses</b>	<b>752.01</b>	<b>701.59</b>	<b>2777.92</b>	<b>2230.49</b>	<b>7265.12</b>
<b>3</b>	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>147.48</b>	<b>119.07</b>	<b>554.27</b>	<b>593.90</b>	<b>715.47</b>
<b>4</b>	<b>Other income</b>	<b>43.52</b>	<b>36.29</b>	<b>221.33</b>	<b>40.45</b>	<b>225.27</b>
<b>5</b>	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>191.00</b>	<b>155.36</b>	<b>775.60</b>	<b>634.36</b>	<b>940.74</b>
<b>6</b>	<b>Finance costs</b>	<b>12.99</b>	<b>9.65</b>	<b>29.10</b>	<b>1.32</b>	<b>46.68</b>
	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)</b>	<b>178.01</b>	<b>145.71</b>	<b>746.50</b>	<b>633.03</b>	<b>894.06</b>
<b>8</b>	<b>Exceptional items</b>	-	(43.70)	-	-	-
<b>9</b>	<b>Profit / (Loss) from ordinary activities before tax(7 + 8)</b>	<b>178.01</b>	<b>189.41</b>	<b>746.50</b>	<b>633.03</b>	<b>894.06</b>
<b>10</b>	<b>Tax expense</b>	<b>53.27</b>	<b>52.36</b>	<b>232.90</b>	<b>208.23</b>	<b>248.14</b>
<b>11</b>	<b>Net Profit / (Loss) from ordinary activities after tax (9 + 10)</b>	<b>124.74</b>	<b>137.05</b>	<b>513.60</b>	<b>424.80</b>	<b>645.92</b>
<b>12</b>	<b>Preacquisition profit</b>	-	-	-	-	<b>17.51</b>
<b>13</b>	<b>Minority Interest</b>	-	-	-	-	<b>28.01</b>
<b>14</b>	<b>Extraordinary items (net of tax expense)</b>	-	-	-	-	-
<b>15</b>	<b>Net Profit / (Loss) for the period (11 + 12)</b>	<b>124.74</b>	<b>137.05</b>	<b>513.60</b>	<b>424.80</b>	<b>600.40</b>
<b>16</b>	<b>Paid-up equity share capital(Face Value of the Share shall be indicated)</b>	<b>1,122.98</b>	<b>1,122.98</b>	<b>1,122.98</b>	<b>1,122.98</b>	<b>1,122.98</b>
<b>17</b>	<b>Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	-	-	<b>3,880.12</b>	<b>3,503.15</b>	<b>4,075.21</b>
<b>18</b>	<b>Earnings per share (before extraordinary items)(of Rs.10 /- each) (not annualised):</b>					
	(a) Basic	1.11	1.22	4.57	5.82	5.35
	(b) Diluted	1.11	1.22	4.57	5.82	5.35
<b>19</b>	<b>Earnings per share (after extraordinary items)(of Rs.10/- each) (not annualised):</b>					
	(a) Basic	1.11	1.22	4.57	5.82	5.35
	(b) Diluted	1.11	1.22	4.57	5.82	5.35





**Notes:**

- 1 The above audited results were reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors of the Company held on 24th November, 2012.
- 2 The Board has recommended a dividend of Re. 0.50 per share (5%) (Last Year Re. 0.50 Per share (5%))
- 3 The equity shares of the Company were listed on 11th March 2011 and hence the figures for the previous corresponding quarter ended 31st March 2011 are not available and hence not reported.
- 4 The Company has opted to follow the extension of provisions made vide Notification dated 29th December, 2011 issued by MCA (Ministry of Corporate Affairs) to the long term foreign currency monetary items. Accordingly the foreign exchange loss amortised upto the current date works to Rs.27.85 lakhs. The unamortised portion carried forward in the "Foreign Currency Monetary Item Translation Account" as on 31st March, 2012 is Rs. 71.37 lakhs.

5 **Statement of utilisation of IPO funds**

Particulars of Fund Utilisation	(Rs. In Crores)	
	As per prospectus	Actual Incurred
<b>Amount received from IPO</b>		<b>29.48</b>
<b>Deployment of funds received from IPO</b>		
Investment in Capital Expenditure	9.25	3.53
Working Capital Requirements	8.00	0.99
General Corporate Purposes	9.76	8.39
Issue related expenses	2.47	2.05
<b>Total</b>	<b>29.48</b>	<b>14.96</b>
<b>Balance amount to be utilised</b>		<b>14.52</b>

Interim Utilisation of balance IPO proceeds	
Investments in Mutual Funds	3.66
Investments in Fixed Deposits with scheduled banks	10.86
<b>Total</b>	<b>14.52</b>

- 6 As per Accounting Standard 17 - Segment Reporting as notified by the Companies (Accounting Standards) Rules, 2006, the Company has only one Segment - Speciality chemicals.
- 7 The Company's 100% subsidiary in Malaysia is holding 60% stake in manufacturing and trading companies in Malaysia. These investments were made during the year. Hence there are no corresponding consolidated results for the previous year.
- 8 During the quarter ended 31st March 2012, no investor complaint was received. There was no complaint at the beginning or end of the said quarter.
- 9 The current period figures in this statement have been reported in the amended format as per the SEBI circular dated 16th April, 2012. Accordingly previous period / year figures have been regrouped, rearranged and reclassified wherever necessary to correspond with those of the current period.

Mumbai, 24th November, 2012



For Fineotex Chemical Limited

*S. Tibrewala*  
Surentrakumar Tibrewala  
Chairman & Managing Director



### AUDITOR'S REPORT

The Members  
**FINEOTEX CHEMICAL LIMITED**  
Mumbai.

1. We have audited the attached Balance Sheet of **FINEOTEX CHEMICAL LIMITED**, as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, based upon such checks of the books and records as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to above, we state that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to sub-section 3(C) of Section 211 of the Companies Act, 1956; to the extent they are applicable;
  - (e) Based on the written representations made by the Directors of the Company we report that none of the Directors are disqualified as on 31st March, 2012






from being appointed as Directors in terms of clause (g) of sub-section(1) of Section 274 of the Companies Act, 1956;

- (f) In our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet, Statement of Profit and Loss and Cash Flow Statement read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
  - ii) In the case of Statement of Profit and Loss, of the profit for the year ended on that date;
  - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Mumbai  
Date : 24<sup>th</sup> November, 2012



For UKG & Associates  
Chartered Accountants  
(Firm Regn no. 123393W)

  
(Champak K. Dedhia)  
Partner  
M. No. 101769



**ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in Paragraph 3 of our report of even date of FINEOTEX CHEMICAL LIMITED on the financial statements for the year ended 31<sup>st</sup> March, 2012)

**1. Fixed Assets:**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. No Fixed assets have been disposed off during the year and therefore do not affect the going concern status of the Company.

**2. Inventories:**

- a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- b. In our opinion, the procedures for the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of records of inventory, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noted on physical verification between the physical stocks and the book records were not material.

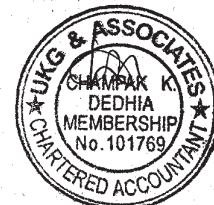
**3. Related party transactions:**

a. Loans taken:

According to information and explanations given to us, no loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and hence the requirement of clauses (iii) (e) to (iii)(g) of paragraph 4 of the order are not applicable.

b. Loans granted:

According to information and explanations given to us, no loans have been granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and hence the requirement of clauses (iii) (a) to (iii)(d) of paragraph 4 of the order are not applicable.





- c. In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements referred to section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.
- d. In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices.

**4. Internal Controls:**

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit we have not observed any continuing failure to correct major weakness in the internal control.

5. The Company has an internal audit system, which in our opinion is commensurate with the size of the Company and nature of its business.

**6. Taxation:**

- a. According to the books and records as produced and examined by us and in accordance with generally accepted auditing practices in India, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, ESIC dues, Sales Tax, Wealth Tax, Excise Duty, Service Tax, Education Cess and other material statutory dues applicable to it. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they become payable.
- b. According to the information and explanation given to us, and also based on management's representation, there were no dues of Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service tax, Education Cess and Sales Tax that have not been deposited except for the following dues of Cess Tax which have not been deposited by the Company on account of disputes:

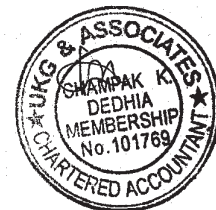
Statute	Nature of dues	Amount	Period	Remarks
Cess Tax	Excess Tax Levied by NMMC	38,98,285	Various Years	Navi Mumbai Municipal Corporation





Miscellaneous:

7. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
8. The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred any cash losses in the current financial year covered by our audit or in the immediately preceding financial year.
9. According to the information and explanations given to us on the basis of our examination of the books of accounts, there are no defaults in repayment of dues to financial institutions and banks during the year.
10. The Company has not accepted any deposits from the public within the meaning of the provisions of section 58A or section 58AA or any other relevant provisions of the Act & the rules framed there under.
11. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
12. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Hence the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
13. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debenture and other investment. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
15. In our opinion and on the basis of information and explanations provided to us, term loans have been applied for the purposes for which they have been raised.
16. According to the information and explanation given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
17. According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties or Companies covered by the register maintained under section 301 of the Companies Act, 1956.
18. According to the information and explanation given to us, the Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.







**UKG & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**Umesh K. Gala** B.Com, F.C.A.


**Champak K. Dedhia** B.Com, F.C.A.

**Deepesh T. Chheda** B.Com, F.C.A.

19. We have verified the end use of money raised by public issues from the prospectus filed with SEBI, the offer document and as disclosed in Note 33 forming part of the financial statements.
20. According to the information and explanations given to us, no fraud on or by Company have been noticed or reported during the year.

For UKG & Associates  
Chartered Accountants  
(Firm Regn no. 123393W)



  
(Champak K. Dedhia)  
Partner  
M. No. 101769

Place: Mumbai  
Date : 24<sup>th</sup> November, 2012