



FINEOTEX CHEMICAL LIMITED



22nd September, 2016

16s/49

To,

General Manager,
Listing Department,
The 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, BandraKurla Complex,
Bandra East, Mumbai - 400051

Company code: FCL

Sub.: 13th Annual Report 2015-16

Dear Sir/Madam,

In accordance to regulation 34(1) of the SEBI Listing Obligation and Disclosure Requirements, Regulations 2016, the 13th Annual Report of the Company for the year 2015-16 is hereby enclosed for your perusal.

Kindly take this in your records.

Thanking you,

Yours faithfully,

For Fineotex Chemical Limited

Raina D'Silva
Company Secretary



13TH ANNUAL REPORT 2015-16



FCL

FINEOTEX CHEMICAL LIMITED

Where Dependability Counts...



Surendrakumar Tibrewala
Chairman & Managing Director



Sanjay Tibrewala
Executive Director & CFO

FINEOTEX CHEMICAL LIMITED

BOARD OF DIRECTORS



Ritu Gupta
Director



Navin Mittal
Director



Manmohan Mehta
Director



Alok Dhanuka
Director

COMPANY SECRETARY AUDITORS & BANKERS

BANKERS

Indian Bank
Oriental Bank of Commerce
Kotak Mahindra Bank

AUDITORS

UKG & Associates
Chartered Accountants

COMPANY SECRETARY

Raina D'Silva

REGISTRARS AND SHARE TRANSFER AGENTS:

(For shares and dividend related queries)
Bigshare Services Private Ltd.,
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai 400072
Phone : (022) 40430200
Telefax: (02) 28475207
E-mail : investor @bigshareonline.com

REGISTRARS &
SHARE TRANSFER
AGENTS

PLANTS &
OFFICES

REGISTERED OFFICE

42,43 Manorama Chambers, S V Road, Bandra (West),
Mumbai 400050.
Tel: (+91-22) 26559174 - 77
Fax: (+91-22) 26559178
info@fineotex.com
grievances@fineotex.com

PLANT LOCATION

Plot nos: A699 / 700
TTC Industrial Area, MIDC, Mahape,
Navi Mumbai - 400 705



My dear Shareholders!

Albert Einstein said, "If you always do what you always did, you will always get what you always got." I am happy to inform you that Fineotex Chemical Limited has completed 12 years in serving the society with innovation in Specialty Chemicals and is growing quicker with increase in Standalone Profit After Tax for the year by 35.08% and Consolidated Profit After Tax for the year increased by 32%.

I express my heartfelt gratitude for your loyalty towards Fineotex Chemical Limited and having placed your trust in us. The year gone by has been extremely enthusiastic and we take delight in highlighting the current consolidated turnover in FY 2016 was Rs. 108 crores.

The Board of Directors during the year declared an interim dividend of Rs. 0.20 per Equity Share of face value Rs. 2/- each i.e. 20% a four fold jump from the previous year.

Our Company during the year was also successful to prove its credentials and win business through innovative and customised products and having the technical service team available to cater to the needs of the client whenever needed. During the year our Company was successful to penetrate into new markets and win new customers and increase its wallet share with existing customers. The Company aspires to grow in an organic and inorganic manner.

Every year we plan to explore new geographies Our exports have risen approximately 23% of the topline. The Company looks forward to explore opportunities and make its presence felt throughout the Globe. We are optimistic to grow quicker with an increasing trend.

Global Specialty Chemical Market was valued at around \$345.5 billion in 2014 and is expected to

reach \$ 473.7 billion by 2020, growing at a CAGR of around 5.4%. Globally Specialty Chemicals are driven by extensive product R&D and innovation.

The Company manufactures over 400 specialty chemicals to Textile, Garment, Construction, Leather, Agrochemicals, Adhesive and Water Treatment. Hence it gives us a competitive advantage over the others. The Company has manufacturing facilities in India, located at Mahape, Navi Mumbai and Malaysian Facility located at Bander Baru Bangi with combined production capacity of 22,000MT/p.a. to service the increasing demand for specialty chemical from across the globe.

According to the FICCI report, the Indian Specialty Chemical Market was valued at ~\$25.3 billion as in FY14 and is expected to reach ~\$44 billion by FY19 with a CAGR of 12% driven by growth of end user industry.

The other factors leading to growth in Indian Specialty Chemicals are due to the following key factors: (i) Specialty Chemicals are finding niche applications across textiles, industrials, infrastructure & agrochemical segments driven by the overall growth of Indian Economy. (ii) Increased consumption of emerging markets of Asia. (iii) Inefficiency of China to produce Specialty Chemicals since the products manufactured are tailor made and requires technical service.

Our Company has managed to grow in an upward trend, thanks to our improved and innovative products and ongoing Research and Development. It is our constant endeavour to deliver innovative products and services pertaining to the needs of the industry we service in. Each day we strive to add, build and manage our products/ service offerings in a way that it gives you a good reason to be optimistic about the future. Your Dependability on the Company counts. Our pragmatic approach allows us to streamline and arrest unwanted expenses, we are a cash rich Company with zero debts.

"We rise by lifting others" Our Company has received tremendous support from the society, hence it's our responsibility to lift and build the society. We at Fineotex continue to contribute a part of the funds to various trust in support of Corporate Social Responsibility (CSR), which aim to render assistance to educational institutions, hospitals, welfare clinic and women empowerment.

I sincerely thank all our shareholders for their constant faith and appreciation. I also extend my gratitude to the Board, Auditors, Executives, the FCL Team, our Associates, Statutory authorities, our Customers and Suppliers for their trust and promise to remain with us, and reap the benefits that Company promises in the future.

(Surendrakumar Tibrewala)



- ISO 9001:2008
- ISO 14001:2004
- OHSAS 18001:2007
- GOTS Compliance
- Public Listed Company
- Star Export House
- Exports to 33 Countries
- Plants in INDIA & MALAYSIA

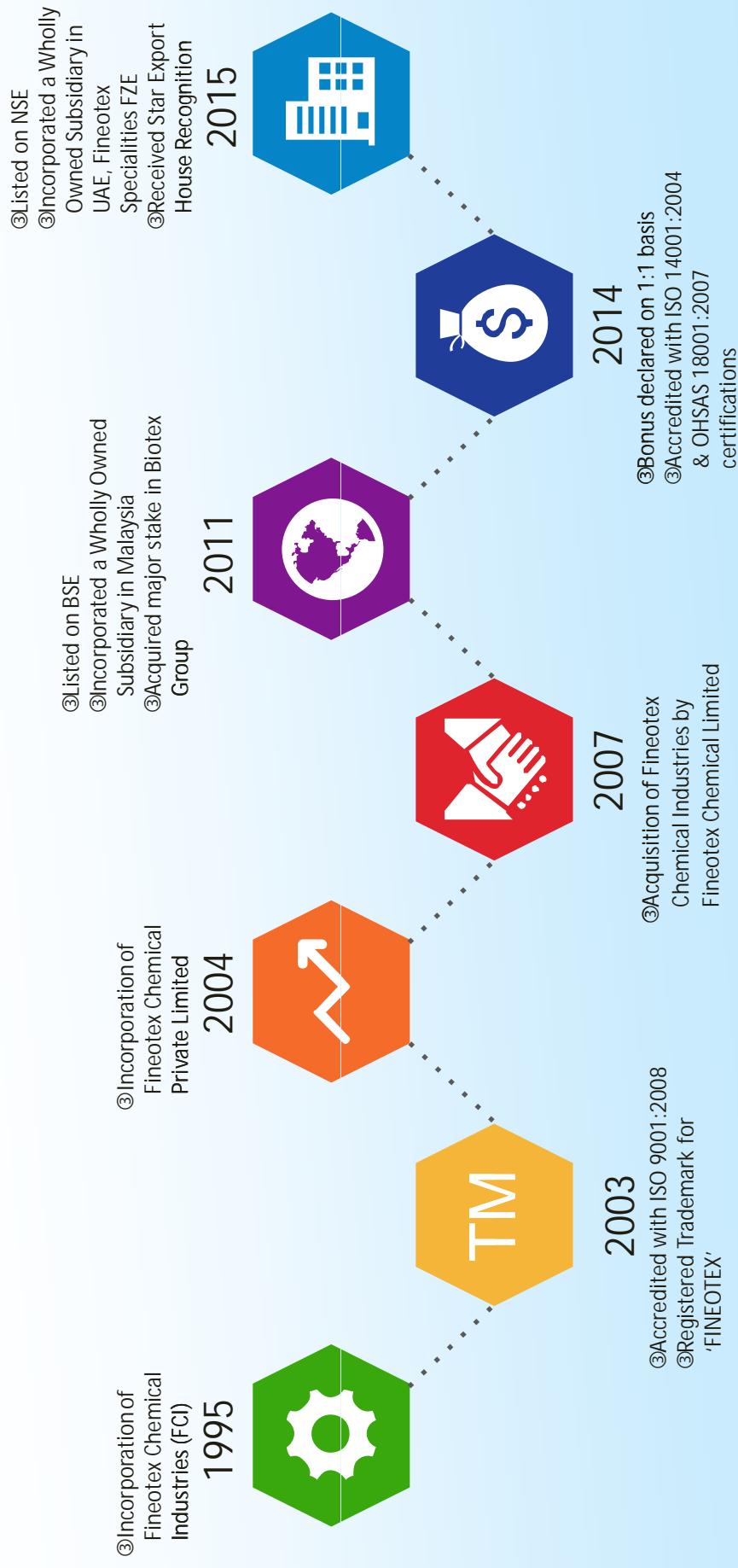


Speciality Textile Chemicals for

- ▶ **Pretreatment**
- ▶ **Dyeing**
- ▶ **Printing**
- ▶ **Finishing**



KEY MILESTONES



OUR STRENGTHS

**Presence
across 33
Countries**

ZERO DEBT

**Product
Range of over
400 Products**

**Technical
Knowhow
from Europe
and Malaysia**

**EBITDA - 37.5%
PAT - 31.9%
4YCAGR**

**Expertise of
over 35 years
in Speciality
Chemicals**

Strong R&D

**Relationships
with Large
Customers**

**Diversified
Customers
and Product
Base**

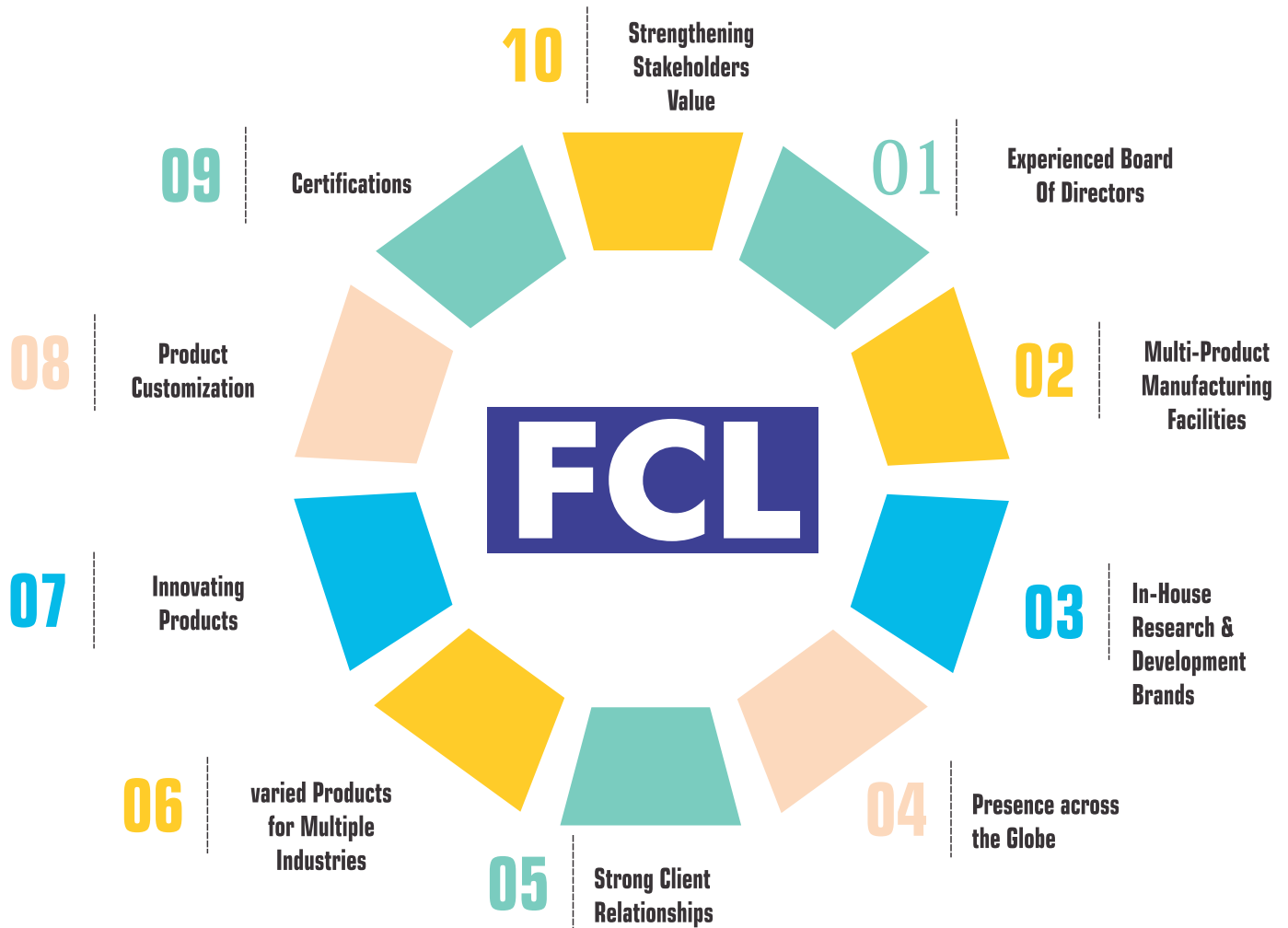
**Production
Facilities in
India &
Malaysia**

**Experienced
management
Team from
MNC
background**



FCL

AN OVERVIEW



INNOVATIVE PRODUCTS



FINOCON ADA Premium

FINOCON ADA
Premium – Soda
Ash Substitute

Benefits

Soda ash
substitute, Reduced
cost of dyeing,
Single time addition
in dye
bath, Reduces TDS
by 80%



FINOCON ECO Conc

FINOCON ECO
Concentrate –
Acetic Acid
Substitute

Benefits

Eco Friendly,
Economical,
Sulphate
free, Chloride free,
Formate free,
Viscose Safe



BIOPRINT BDT

BIOPRINT BDT –
Sodium Alginate
Substitute

Benefits

Excellent viscous
stability,
Anti dilution
property,
Good wash off
property,
Longer shelf life,
Good sharpness of
prints



FINOPRET ZF

FINOPRET ZF –
Zero
Formaldehyde
Resin

Benefits

Zero formaldehyde
levels,
Chlorine resistant
finish,
Excellent crease
recovery,
Durable washing up
to 100°C

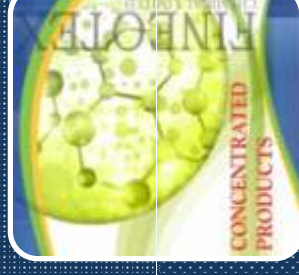


FINOX XLH

FINOX XLH –
TOWEL
SILICONES

Benefits

Non yellowing
silicone softener,
Super feel & shear
stable,
Improves
elastomeric
properties,
Stretch recovery of
Knitwear



**CONCENTRATED
PRODUCTS –**
Pretreatment, D
yeing, Printing
& Finishing
Chemicals

Benefits

Freight cost savings,
High efficacy,
Low dosage
requirement,

INNOVATIVE PRODUCTS

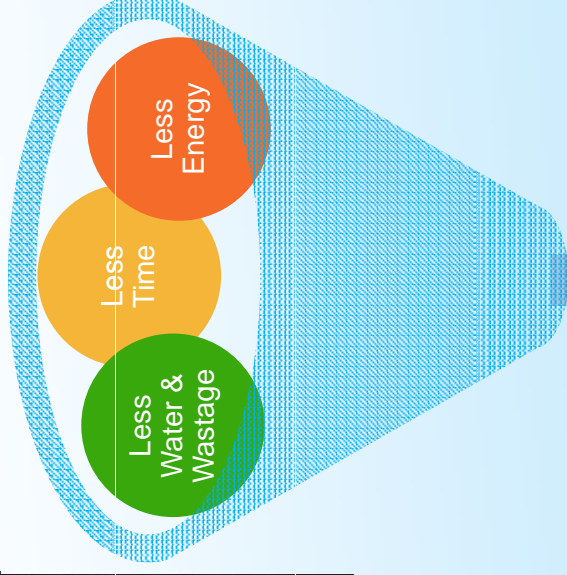
BIOTEX LTB – Low Temperature Bleaching



Biotex LTB

BENEFITS

- Low temperature bleaching agent at 75-80 degrees for 30 min
- Only caustic and peroxide required, BOD & COD levels are very low
- Less strength loss and higher DP rating
- Less weight loss
- Energy saving



Specialty Biotex Products

High potential & applicability in pretreatment process across all cotton substrates

BIOTEX NELA – Multifunctional Auxiliary for Pretreatment



Biotex NELA

BENEFITS

- All in one multifunctional product for pretreatment process
- Minimum caustic dosage approx 0.5%
- Water, energy and time saving
- 25-30% reduction in effluent COD level as compared to the traditional process
- Eco-Friendly and readily biodegradable

ANNUAL REPORT 2015-16

13th Annual Report

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NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of Fineotex Chemical Limited will be held at 10.00 a. m. on Tuesday, 20th September, 2016 at Rajpuria Baugh/Hall, Navinbhai Thakkar Marg, Vile Parle (East), Mumbai 400057 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016, Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Ms Ritu Gupta who retires by rotation at the conclusion of this meeting and being eligible offers himself for reappointment.
3. To ratify the appointment of M/s UKG Associates, a firm of Chartered Accountants, (Firm Registration No. 123393W) as approved by the members at the Eleventh Annual General Meeting as Statutory Auditors of the Company to hold office until the conclusion of Sixteenth Annual General Meeting and to fix their remuneration for the financial year ending 31st March, 2017.

SPECIAL BUSINESS

4. To consider the following resolution, with or without modification, as an Special Resolution:-

RESOLVED THAT in accordance with the provisions of sections 196, 197, 198, 199, 202 and 203 read with Schedule V, Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, of the Companies Act, 2013, if any and the approval of the Nomination and Remuneration Committee of the Company, Mr. Surendrakumar Tibrewala be and is hereby re-appointed as a Managing Director of the Company for a period of three years with effect from October 1, 2016 on a remuneration of 5% of the net profits of the Company by way of salary, perquisites and commission which the Company is entitled to pay as per the provisions of section I of the Part II of the Schedule V of the Companies Act, 2013 or any re-enactment thereof and is not liable to retire by rotation.

RESOLVED FURTHER THAT the remuneration aforesaid pertaining to salary and perquisites shall not exceed a sum of Rs. 6,00,000/- p.m. or such higher sum which the Company is / would be entitled to pay as maximum remuneration as per section II of Part II of Schedule V in the event of loss or inadequate profits during the tenure of his appointment as approved by the Nomination and Remuneration Committee computed in accordance with the provisions of the said Schedule other applicable laws and subject to the approvals, if any.

RESOLVED FURTHER THAT any excess salary drawn by or paid to him in any year of loss or inadequacy of profits, over and above the amount mentioned in Section II of Part II of Schedule V, shall be refunded by him and for this purpose, the company shall effect recovery month by month and every month commencing from the month in which the annual accounts disclosing the loss or inadequacy of profits are approved by the Board of Directors in their meeting held as per provisions of section 134 of Companies

Act 2013.

RESOLVED FURTHER THAT any excess remuneration drawn or paid to him as aforesaid shall be forthwith refunded to the company in the event the appointment come to an end prematurely or is not renewed for a further period beyond this period.

RESOLVED FURTHER THAT any other Director of the Company be and is hereby authorized to execute the agreement incorporating the above terms on behalf of the Company.

5. To consider the following resolution, with or without modification, as an Special Resolution :-

RESOLVED THAT in accordance with the provisions of sections 196, 197, 198, 199, 202 and 203 read with Schedule V, Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, of the Companies Act, 2013, if any and the approval of the Remuneration Committee of the Company, Mr. Sanjay Tibrewala be and is hereby re-appointed as an Executive Director of the Company for a period of three years with effect from October 1, 2016 on a remuneration of 5% of the net profits of the Company by way of salary, perquisites and commission which the Company is entitled to pay as per the provisions of section I of the Part II of the Schedule V of the Companies Act, 2013 or any re-enactment thereof and is not liable to retire by rotation.

RESOLVED FURTHER THAT the remuneration aforesaid pertaining to salary and perquisites shall not exceed a sum of Rs. 6,00,000/- p.m. or such higher sum which the Company is / would be entitled to pay as maximum remuneration as per section II of Part II of Schedule V in the event of loss or inadequate profits during the tenure of his appointment as approved by the Nomination and Remuneration Committee computed in accordance with the provisions of the said Schedule other applicable laws and subject to the approvals, if any.

RESOLVED FURTHER THAT any excess salary drawn by or paid to him in any year of loss or inadequacy of profits, over and above the amount mentioned in Section II of Part II of Schedule V, shall be refunded by him and for this purpose, the company shall effect recovery month by month and every month commencing from the month in which the annual accounts disclosing the loss or inadequacy of profits are approved by the Board of Directors in their meeting held as per provisions of section 134 of Companies Act 2013.

RESOLVED FURTHER THAT any excess remuneration drawn or paid to him as aforesaid shall be forthwith refunded to the company in the event the appointment come to an end prematurely or is not renewed for a further period beyond this period.

RESOLVED FURTHER THAT any other Director of the Company be and is hereby authorized to execute the agreement incorporating the above terms on behalf of the Company.

6. Contracts with Related Party

To consider and if thought fit to pass the following resolution with or without modification, as an Special Resolution :-

“RESOLVED THAT pursuant to provisions of section 188 of Companies Act, 2013 (Act) and the Rules made thereunder, and in partial modification of the resolution passed at the 11th Annual

General Meeting and 12th Annual General Meeting approval of Company be and is hereby given for the following contracts in which Directors are interested for sale/purchase of goods & services of all kinds or taking of premises on lease from related parties for the period from 1st April 2016 to 31st March, 2021 i.e. for the period of 5 years:

Sr. No.	Related Parties with whom Transactions are Estimated	Nature of the Transaction	Approval sought for transactions from 1 st April 2015 on annual basis	Relationship
1.	Proton Biochem Private Limited	Sale/Purchase of goods and services of all kinds.	Rs.60 (Sixty) Crores per annum	Mr. Sanjay Tibrewala is a Director and shareholding by his relatives
2.	Sanjay Exports	Sale/Purchase of goods and services of all kinds including fixed assets at WDV	Rs.10 (Ten) Crores per annum	Mr. Sanjay Tibrewala is a proprietor

By Order of the Board

(Surendrakumar Tibrewala)
Chairman & Managing Director

Registered Office:

Fineotex Chemical Limited
(CIN: L24100MH2004PLC144295)
42/43, Manorama Chambers
SV Road, Bandra (West), Mumbai 400050

Dated : 13.08.2016

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS/HER BEHALF ON A POLL ONLY. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

As per provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

A Proxy form, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed not less than forty eight hours before the commencement of the aforesaid meeting i.e. before 10.00 a.m. on 18th September, 2016.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Details under Regulation 36(3) of the Listing Regulation with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at this Annual General Meeting, forms integral part of the Notice and is given under the Explanatory Statement. The Directors have furnished the requisite declarations for their appointment.
5. The register of members and share transfer books of the Company will remain closed from Friday 16th September 2016 to Tuesday 20th September, 2016 (both days inclusive) for the purpose of 13th Annual General Meeting.
6. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Bigshare Services Private Limited ("Bigshare") 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 Depository Participant by the members.
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Bigshare.
8. Members are requested to :
 - a. Notify any change in their address to the Registrar and Share Transfer Agents, Bigshare Services Private Limited, E/ Anza Industrial Estate, Saki Vihar Road, Mumbai 400072 or their Depository Participant.
 - b. Bring the attendance slips along with the copies of the annual report to the meeting.
9. In compliance with Sections 124 of the Companies Act, 2013, unpaid/unclaimed dividend for the year 2011-12 and subsequent years will be transferred to the "Investor Education and Protection Fund" according to the statutory stipulations. Members are requested to contact the Company at its Registered office, in respect of their outstanding dividends if any for the succeeding years.
10. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28th September, 2015 (date of last Annual General Meeting) on the website of the Company – www.fineotex.com and also on the website of the Ministry of Corporate Affairs.
11. The notice of the 13th Annual General Meeting of the Company along with printed Attendance Slips is being dispatched to all Members. Electronic copy of the Annual Report for the year ended March 31, 2016 is being sent to all the members whose e-mail address is registered with the Company / Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, the Annual Report for the year ended March 31, 2016 is physically sent along with the Notice. Members who have not yet registered their e-mail address are encouraged to submit their request with their respective Depository Participant Bigshare Services Pvt. Ltd the RTAs of the Company, as the case may be.

Members may also note that the Notice of the 13th Annual General Meeting and the Annual Report for the year ended March 31, 2016 will also be available on the Company's website – www.fineotex.com for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same to the Company, by post free of cost.
12. All the documents referred to in the notice are open for inspection at the registered office of the Company at 42/43, Manorama Chambers, S V Road, Bandra (West), Mumbai 400050 between 10.00 a.m. to 12.00 noon on all days except Sunday and Holidays, prior to the date of the meeting and at the venue of the annual general meeting during the meeting hours.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare.\
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
15. Non-Resident Indian Members are requested to inform Bigshare, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

16. Voting through electronic means

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013, and the Rules made thereunder, the Company is pleased to provide its shareholders with the facility to exercise their right to vote at the 13th Annual General Meeting of the Company by electronic means and the business may be transacted through e-Voting services provided by the Central Depository with the Company / Depository Participant Services Limited (CDSL).

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
Now, select the Electronic Voting Sequence Number (EVSN) – “160809012” along with “Fineotex Chemical Limited” from the drop down menu and click on “SUBMIT”.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system for e-voting (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participants are requested to use the first two characters of their name (in capital) and the last 8 (eight) digits of their Client Id or folio no. in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with client Id/ folio no.1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on cut off date in the Dividend Bank details field.
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- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <FINEOTEX CHEMICAL LIMITED> on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Institutional Shareholders

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password would be able to link the account(s) which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

In case of members receiving the physical copy:

- a. Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- b. The voting period begins on Saturday 17th September, 2016 at 9 a.m. IST to Monday 19th September, 2016 at 5.00 p.m. IST. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 13th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at www.evotingindia.co.in in under help section or write an email to helpdesk.evoting@cdslindia.co.

- c. The Voting rights of shareholders shall be in proportion to their shares of the paid up capital of the Company as on the cut off date of 13th September, 2016
- d. Mr Nitin A Sarfare, Practicing Company Secretary (Membership No. ACS 36769/ C.P No.13729) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e. Poll Process at Annual General Meeting (AGM)
 - (i) The voting on the agenda items shall be done by e-voting as well as at the AGM. Those who do not exercise the option of e-voting shall be entitled to participate and vote at the AGM/ Poll if required at the AGM. Ballot papers will be issued immediately after an announcement

in this regard by the Chairman of the meeting and will continue till all the shareholders present and who want to vote have cast their votes. The number of votes will be equivalent to the number of shares held by them as on the Cut-off Date i.e., 13th September, 2016

(ii) Mr. Nitin Safare, will also act as one of the Scrutinizers at the Poll to be conducted at the AGM in a fair and transparent manner.

f. The Scrutinizer shall within a period not exceeding 2 (two) working days from the conclusion of the E-Voting period unlock the votes in the presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The results shall be declared at the AGM of the Company. The results declared along with the scrutinizers report shall be placed on the Company's website www.fineotex.com and on the website of CDSL within 2 (two) days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the shares of the Company are listed.

17. Members can also vote as per Ballot paper enclosed. Please read the instructions fully.

18. Any person acquiring shares after dispatch of this notice and holds shares as on 13th September, 2016 can vote using their registration with CDSL. Those who are not registered may obtain the details by send a request to www.evotingindia.co.in.

By Order of the Board

Surendrakumar Tibrewala
Chairman Managing Director

Place : Mumbai
Date : 13.08.2016

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

Resolution No. 3

M/s UKG Associates, a firm of Chartered Accountants, having registration no 123393W allotted by the Institute of Chartered Accountants of India were appointed at the 11th Annual General Meeting to hold office till the conclusion of the 16th Annual General Meeting to be held in 2019. However it will be essential to ratify the appointment for the year 2016-17 and fix their remuneration.

None of the Board Members or Key Managerial personnel or their relatives are interested in the resolution. The Board recommends the resolution for members' approval.

Resolution No. 4

Mr. Surendrakumar Tibrewala was re-appointed as Chairman and Managing Director in 31st December 2012 for a 3 year period from 1-October, 2013. The Company is listed with a 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.

Mr. Surendrakumar Tibrewala is a B.Com and LLB and has over 3 decades of experience in the business of Specialty and Auxiliary Chemicals as manufacturer and trader. The business of the Company has been nurtured since the last 32 years. He is also involved in other aspects of the business like marketing and administration.

The proposed remuneration is approved by the Remuneration Committee of the Board of Directors and consists of Basic salary of Rs. 3,50,000/- p.m. other allowances of Rs.2,30,000/- per month and other perquisites not exceeding a sum of Rs. 2,40,000/- p.a. in addition he will be entitled for a car and a telephone at residence for official work. He 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 retirement benefits would not be considered for the limit of Rs. 240,000/- p.a as mentioned above. This may be treated as an abstract of the draft agreement between the Company and Mr. Surendra Tibrewala for revision of the remuneration and term of appointment pursuant to Section 196 of the Companies Act, 2013.

The Board recommends your consent for the resolution as a Special Resolution. Mr. Surendrakumar Tibrewala is interested in the resolution as it pertains to him. Mr. Sanjay Tibrewala and Ms. Ritu Gupta are interested in the resolution as it pertains to their father.

Resolution No. 5

Mr. Sanjay Tibrewala was re-appointed as Executive Director December 2012 for a 3 year period from 1-October, 2013. The Company is listed with a 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 XIII of the Companies Act, 1956.

Mr. Sanjay Tibrewala is a B.Com and is a post graduate in Textile Processing and Chemicals. He is assisting the present Managing Director for the last 15 years adding the technical edge to the business. He is instrumental in developing new products and markets for the Company.

The proposed remuneration is approved by the Remuneration Committee of the Board of Directors and consists of Basic salary of Rs. 3,50,000/- p.m. other allowance of Rs.2,30,000/- per month and other perquisites not exceeding a sum of Rs. 2,40,000/- p.a. in addition he will be entitled for a car and a telephone at residence for official work. He 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 retirement benefits would not be considered for the limit of Rs. 2,40,000/- p.a. as mentioned above. This may be treated as an abstract of the draft agreement between the Company and Mr. Surendra Tibrewala for revision of the remuneration and term of appointment pursuant to Section 196 of the Companies Act, 2013.

The Board recommends your consent for the resolution. Mr. Sanjay Tibrewala is interested in the resolution as it pertains to him. Mr. Surendrakumar Tibrewala is interested in the resolution as it pertains to his son and Ms. Ritu Gupta is interested as his sister.

Resolution No. 6

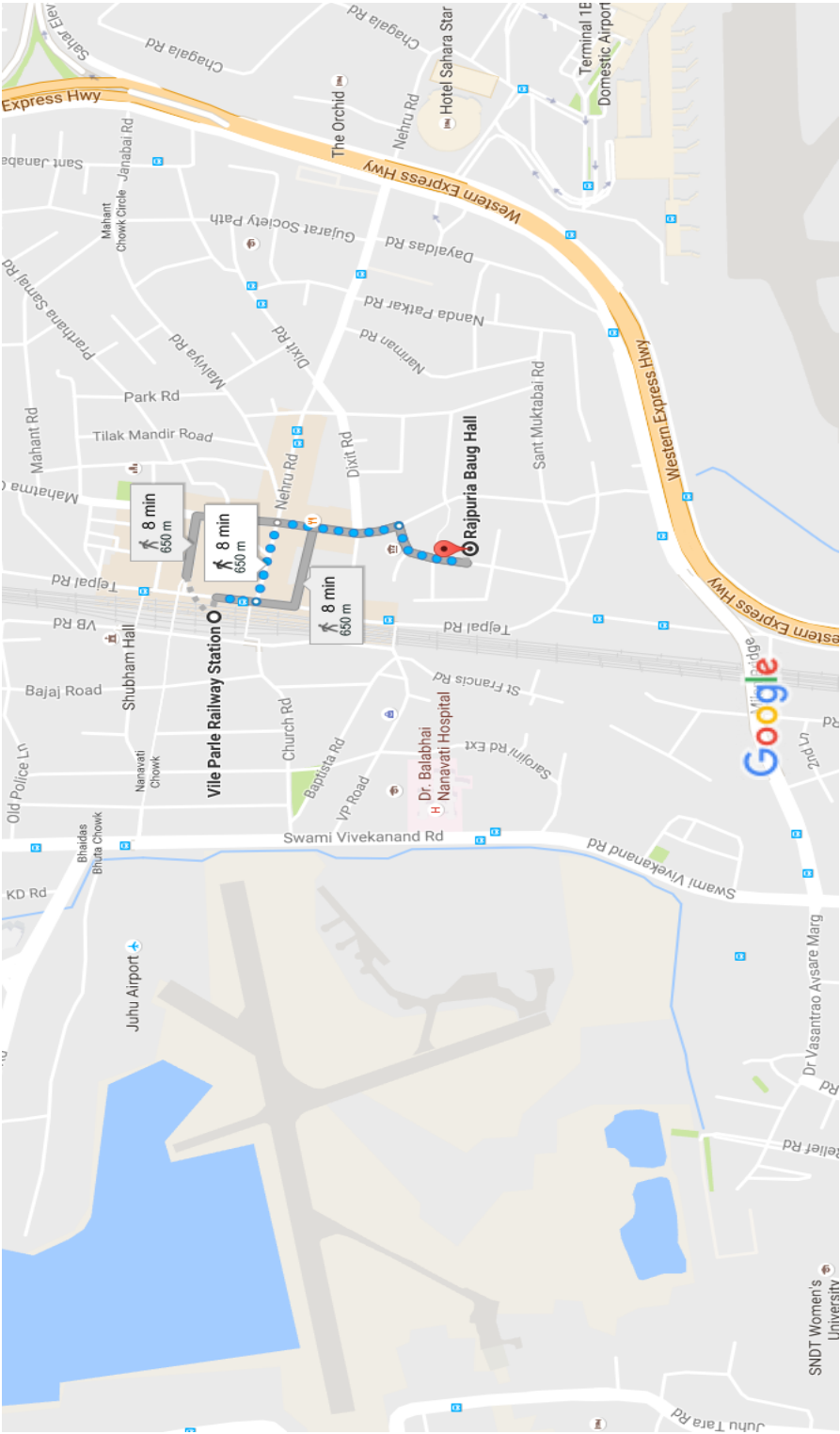
The Company had entered into similar contracts / agreements for the same as per Section 188 of the Companies Act, 2013. These were approved by you in the earlier years. These are in line with the disclosures in the prospectus as well as financial statements in previous years. In the earlier years these were approved by the Regional Directors as required prior to commencement of these provisions of the Companies Act, 2013. There are certain modifications in the amount of deposit and goods covered and hence your approval is sought.

As per the provisions of section 188 of Companies Act, 2013, these agreements / contracts require your approval for the same. The Board recommends your approval. Mr. Surendrakumar Tibrewala, Mr. Sanjay Tibrewala and Ms. Ritu Gupta are interested in the Resolution.

Details of Director seeking reappointment (as per regulation 36(3) of the Listing Regulation with the Stock Exchanges)

No.	Particulars	Reappointment of Ms. Ritu Gupta as Director
1	Name of the Director	Ms Ritu Gupta
2	Date of Birth	11-Oct-1984
3	Relationship with Directors	Daughter of Mr. Surendrakumar Tibrewala and sister of Mr. Sanjay Tibrewala
4	Date of Appointment	13-Aug-2014
5	Expertise in Specific Functional Areas	Finance
6	Number of Equity Shares held in the Company	11,000
7	Directorship in other Public Limited Company as on 31-Mar-2014	Nil
8	Chairmanship/Membership of Committees of other Indian Public Limited Companies as on 31-Mar-14	Nil
9	Director Identification Number	00218561

Google Map for AGM Venue



DIRECTORS' REPORT

Your Directors hereby present their Thirteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2016.

1. HIGHLIGHTS

Standalone Profit After Tax for the year was Rs 1513.05 Lakhs as against Rs. 1120.08 Lakhs for 2014-15 – an increase of 35.08%

Earnings per share of Rs. 2 was Rs. 1.35 for the year as against Rs. 1.00 for 2014-15 an increase of 35.00 %

Consolidated Profit after Tax for the year was Rs. 1704.04 Lakhs as against Rs.1291.48 lakhs for 2014-15 an increase of 32%.

2. FINANCIAL RESULTS

(Rs. in Lakhs)

	Standalone		Consolidated	
	Year ended 31-3-2016	Year ended 31-3-2015	Year ended 31-3-2016	Year ended 31-3-2015
Total Income (net of Excise duty)	7,260.70	6,980.65	11,205.14	10,651.95
Less: Expenditure	4,983.34	5,373.07	8,224.57	8,549.39
Less: Depreciation	51.82	44.10	55.91	50.11
Less: Finance Costs	26.60	22.42	38.85	32.68
Net Profit before Tax	2,198.94	1,541.06	2,885.80	2,019.77
Provision for Tax (including short provision for Previous Year)	685.89	420.98	914.44	560.28
Profit after tax	1,513.05	1,120.08	1971.36	1459.49
Appropriations				
Dividend on Equity Shares	224.60	112.30		
Tax on Dividend	--	11.39		

3. DIVIDEND

The Board of Directors had declared interim dividend of Rs. 0.20 paise on equity share of face value Rs. 2/- each in the meeting held on 14th March 2016. The Board recommends that this Interim Dividend be treated as the Final Dividend.

4. SHARE CAPITAL

The Company has split each equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each. The Consent of the Shareholders has been obtained by way of Postal Ballot which was approved on 29th May 2015. The Paid-up Share Capital of the Company is Rs. 2,245.96 lakhs divided into 1,122.98 lakhs equity shares of Rs.2/- each.

5. SUBSIDIARIES

The summary of performance of the subsidiary companies is provided below:

a. Foreign Subsidiaries :

Fineotex Malaysia Limited (FML), a Limited Company, was incorporated in Labuan Malaysia in 2011. FML in turn had controlling interest in 3 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. These investments will complete 5 years in June 2016.

Fineotex Specialities FZE was incorporated in the Region of UAE on 25th January 2015.

b. Indian Subsidiaries :

FCL Landmarc Private Limited and Manya Steels Private Limited are the two fully owned Indian subsidiaries. FCL Landmarc Private Limited was incorporated to pursue Company's activities in the realty sector. Manya Steels Private Limited (Manya) was acquired for diversification. The activity level in both the Companies is at a preliminary level and would commence commercial operations in the future. The Company plans to utilize the facility of Malaysia for its own expansion. None of the Indian Subsidiaries is a material Subsidiary

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary companies in Form AOC 1 is attached to the Accounts. 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. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of each of the subsidiary companies is also available on the website of your Company at <http://fineotex.com/Investor-Relation.aspx>

6. FINANCE

The Company's financial position is robust and has judiciously invested the same in Fixed Deposits, Equity Share and Mutual Fund. It also has arrangements in place to have liquidity at a small cost without affecting the investment structure. The Company plans to utilize the funds for future capitalization through capital expansion as and when required.

7. INTERNAL FINANCIAL CONTROLS

The Company has in place a well defined organisational structure and adequate internal controls for efficient operations which is cognizant of applicable laws and regulations, particularly those related to protection of resources and assets, and the accurate reporting of financial transactions in the financial statements. The Company continually upgrades these systems. The internal control system is supplemented by extensive internal audits.

8. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company along with its subsidiaries – both foreign and Indian - for the year ended 31st March, 2016 form part of this Annual Report. The same are prepared as per the applicable Accounting Standards prescribed in this regard and as required by the Listing Agreements.

9. PUBLIC DEPOSITS, LOANS AND ADVANCES

The Company has not accepted any deposits from the public or

the shareholders during the year or in the previous year. Security Deposits have been taken from the customers as a security against dues for goods sold to them and are not, in the opinion of the Board, in the nature of Public Deposits. Rent Deposits given to Subsidiaries are disclosed in the financial statements as required under the Accounting Standards and Listing Agreements.

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS.

The Company has given deposit against Rent to one of its subsidiaries and had made investments in Mutual Funds and Equity shares. The details of the same are given in Annexure '1' forming part of this report.

11. RELATED PARTY TRANSACTIONS / CONTARCTS.

The Transactions with the related parties entered during the year were in the course of business as followed for several years and in line with those approved in earlier years by the statutory authorities as required by the earlier law and are in force. The shareholders have also given the approval to these contracts and transactions at the 12th Annual General Meeting of the Company held on 28th September, 2015. These have been disclosed in the financial statements as well as per the Listing requirements.

Details of related party transactions are given in Annexure '2' giving the details as per AOC-2

The policy on Related Party Transactions as approved by the Board is available on the website of the Company www.fineotex.com and may be accessed through the web link <http://fineotex.com/Investor-Relation.aspx>

12. DIRECTORS

Mrs Ritu Gupta is liable to retire by rotation at the ensuing Annual General Meeting and being eligible she offers herself for re-appointment. She is related to the Whole-time Directors of the Company and therefore a Non-Independent Director liable to retire by rotation and being eligible she offers herself for re-appointment.

13. BOARD MEETINGS

The Board of Directors of the Company met six times during the financial year. The details of various Board Meetings are provided in the Corporate Governance Report.

14. EMPLOYEES

Key Managerial Personnel (KMP)

The following have been designated as the Key Managerial Personnel of the Company Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- | | | |
|----|-----------------------------|---|
| a) | Mr. Surendrakumar Tibrewala | – Chairman & Managing Director |
| b) | Mr. Sanjay Tibrewala | – Whole-time Director & Chief Financial Officer |
| c) | Mr. Raina D'Silva | – Company Secretary from 11 th November 2015 |
| d) | Mr. AV Nerurkar | – Company Secretary upto 17 th October 2015 |

Mr. A V Nerurkar, Company Secretary has resigned during the year under review.

Particulars of Employees and related disclosures

None of the employees were in receipt of remuneration of more than Rs. 60,00,000 during the year ended 31st March, 2016 or more than Rs. 5,00,000 per month during any part of the year.

Disclosure with respect to the remuneration of Directors, KMPs and employees as required under section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure '3' to this Report.

15. DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(7) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

16. POLICY RELATING TO DIRECTORS, KMP AND OTHER EMPLOYEES

In line with the principles of transparency and consistency, your company has adopted the Nomination and Remuneration Policy which, inter alia, include criteria for determining qualifications, positive attributes and independence of a Director. The Remuneration policy is set out in the Annexure '4' to the Director's Report and is also available on the Company's website.

17. FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of the erstwhile Listing Agreement with the stock exchange ("Listing Agreement") and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Company has put in place a Familiarisation Programme for the Independent directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. The details of such programme is available on the website of the Company <http://fineotex.com/Investor-Relation.aspx#InvestorRelation>

18. BOARD EVALUATION

The Board has carried out an annual evaluation of its performance. The performance evaluation of Audit Committee was also carried out.

The Evaluation of Board and its findings were shared by the Chairman individually with the Board Members. The Directors expressed their satisfaction with the evaluation process.

19. AUDITORS AND AUDIT REPORT

Messrs UKG Associates, the auditors of the Company, bearing ICAI Firm Registration No. 123393W, were appointed, at the 11th General Meeting, as Auditors for a period of five years – i.e. till the conclusion of 16th Annual General Meeting to be held in 2019. As per the provisions of Section 139 of the Companies Act, 2013 and Rules made there under, their appointment is to be ratified at each Annual General Meeting. The Audit Committee has recommended their reappointment which the Board has accepted. Board recommends their appointment. Your approval is required

to ratify their appointment for 2016-17 and fix their remuneration for the said year.

20. INTERNAL AUDITORS

As per section 138 of the Companies Act, 2013. The Company internal control systems are manned by internal audit staff who work as per the directions of the Audit Committee. The Board and Audit Committee review from time to time the requirements of control and recommend necessary changes to strengthen them. The Audit Report does not have any qualification, reservation or any adverse remarks.

21. COST ACCOUNTING RECORDS AND COST AUDIT

With the notification of Companies (Cost Records and Audit) Rules, 2014, the Company is advised that it is not liable to Cost Audit since the turnover as per standalone financial statements of the Company is below Rs. 100 crores.

22. SECRETARIAL AUDIT

As per Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 it is mandatory for the Listed Company, like yours, to have the secretarial records audited. The Board of Directors had appointed HS Associates, Company Secretaries as Secretarial Auditors for 2016-17.

The Secretarial Audit Report is annexed herewith as Annexure '5'.

The Secretarial Audit Report for 2015-16 does not contain any qualification, reservation or adverse remark.

23. CORPORATE SOCIAL RESPONSIBILITY

In compliance with the requirements of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules 2014 mandates that your Company spends at least 2% of its average last 3 years net after tax profit on Corporate Social Responsibility (CSR) Activities and explained therein. This was the second year of compliance for your Company, the Company has formed a Committee which has gone through the requirements and decided to carry out the same through the Trust who carry out these activities. The Company had to Spend Rs. 21.00 Lakhs in 2015-16 and carry forward of Rs. 9 lakhs of previous year. However it has spent Rs. 22 Lakhs till 31st March, 2016.

The Company had resolved to carry out the CSR activities through recognized eligible trusts. CSR is a new activity and it is taking sometime to check the credentials of these trust before contributing to them for the use of the trust for CSR activities.

The shortfall will be made good during the 2016-17. The details are given in a separate Annexure '6' to this Report.

24. RISK MANAGEMENT COMMITTEE

As per Regulation 21 of (Listing Obligation and Disclosure Requirements) Regulation 2015, the provisions of Risk Management Committee. is not applicable for your Company. However the management of the Company is determining various aspects so as to be able to minimise the risk in all spheres of the Company's business from finance, human resources to business strategy, growth and stability.

25. AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report which forms a part of this Report.

26. 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 <http://fineotex.com/Investor-Relation.aspx#InvestorRelation>

No complaints/suggestions were received during the year.

27. HUMAN RESOURCES

The Company has 48 employees at the year end including whole time Directors. The current workforce structure has a good mix of employees as all levels. The Company is aware that the success of its business depends upon its technical expert's co-ordinating with research and development staff on the one hand and marketing on the other. The Company's employee's age bracket represents a healthy mix of experienced and willing to – experience employees. Necessary training and orientation in this regard is done on a regular basis.

During the year a few innovative ideas were received from the staff, many of which were implemented for improvement in cost control and for achieving greater efficiency.

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

Information as required by the provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is annexed and forms part of this report. Refer Annexure A

29. DISCLOSURE UNDER THE SEXUAL HARRASSMENT 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 off during the year 2015-16

No of Complains received; NIL

No of Complaints disposed off: NIL

30. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis on the operations of the Company as prescribed under Schedule V read with regulation 34 (3) of the SEBI (LODR) Regulations, is provided in a separated section and forms a part of this report. Refer Annexure B.

31. CORPORATE GOVERNANCE

Your Company would strive to set and 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) Regulation 2015 with the Stock Exchange, a report on the status of compliance of corporate governance norms is also attached. (Annexure 'C'). The Auditors certificate on the same is also attached.

32. EXTRACT OF ANNUAL REPORT

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, an extract of the Annual Return as on 31st March, 2016 in Form No. MGT.9 is attached herewith as Annexure '7' and forms part of this Report.

33. OPERATIONS & ECONOMIC SCENARIO

The Company has exceeded the targets fixed for the year. There was a growth of 7.12% in volume, 4.68% in value and 35.08% in profits – all three parameters of an inclusive growth. The volume growth shows the rising penetration of the company's products even the economic signs of are still not distinctly visible. Value growth above volume is an indication of increase in the qualitative acceptance of the products. The growth in profits is the result of the endorsement of the Company's products and business ethics which has resulted in better margins. This is the result of the adherence of the management to its vision of providing quality product not by chance but dependability.

The economic scenario is expected to improve which would benefit the economy as a whole. The Company is geared up to take advantage on the national as well as international level. Its commitment to innovate and provide quality products on which the consumers can depend has been getting an increasing acceptance amongst its growing customers list. This list is expanding geographically and the Company is taking steps to put the necessary steps in place. Barring unforeseen circumstances, the Company, along with its subsidiaries expects to replicate the performance in the coming years.

34. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and explanation and information obtained by them and as required under Section

134(3)(c) of the Companies Act, 2013, your Directors confirm that:

- (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) they have selected such accounting policies as mentioned in Note 2 to the Notes to Financial Statements and applied them consistently and made judgements 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) they 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; and
- (iv) they have prepared the annual accounts on a going concern basis
- (v) the proper internal controls were in place and that the financial controls were adequate and were operating effectively
- (vi) the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

35. ACKNOWLEDGEMENTS

Your Directors wish to thank the Company's stakeholders, Bankers and employees for their support extended to it throughout the year.

For and on behalf of the Board

Sanjay Tibrewala	Surendrakumar Tibrewala
(Executive Director & CFO)	Chairman & Managing Director
00218525	00218394

Mumbai

Dated: 25-May-2016

Annexure A FORM 'A'

Power & Fuel Consumption		2015-16	2014-15
1.	Electricity		
a)	Purchased Units (Nos)	1,43,325	1,31,457
	Total Cost (Rs.) #	11,75,260	10,58,085
	Rate / Unit (Rs.) #	8.20	8.05
2.	Diesel Oil		
	Quantity (K.Ltrs)	53,210	48,972
	Total Cost (Rs.)	25,71,738	33,05,941
	Average rate per K Ltr. (Rs.)	48.33	67.51

Annexure – I

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

- (a) Energy conservation measure taken – Energy consumption is not very high for the Company's business. However efforts are being continuously made of monitoring the consumption and reduction of losses to reduce energy costs.
- (b) Total energy consumption and energy consumption per unit of production as per **Form 'A'** attached hereto

B. TECHNOLOGY ABSORPTION

- (c) Efforts made in technology absorption – as per **Form B** given below

Form B

Research and Development (R & D)

- Specific areas in which the research and development (R & D) is being carried out by the Company – There has been no major expenditure in what is generally understood as Research and Development. However it is our continuous endeavour to improve the performance of products as well as develop new products mainly as required by the customers.
- Benefits derived as a result of the above R & D – Developed few products as well as improved performance of certain products to meet the customer requirements
- Future plan of action – No major plan is on anvil but development to suit the customer's requirements and satisfaction is the main back bone of our business activity.
- Expenditure on R & D – Not significant during the year on in immediate future.

Technology absorption, adoption and innovation

- Efforts, in brief, made towards technology absorption, adoption and innovation – the initiatives leading to development or improvement and continuously adopted into production process The Company has not taken any technical knowhow from outsiders.
- Benefits derived as a result of the above efforts – there are improvement in process, cost reduction, reduction in the production process cycle time.
- Information regarding Imported Technology – We have no imported technology

C. FOREIGN EXCHANGE EARNING AND OUTGO

- (a) Activities relating to export, initiatives to increase exports developments of New export markets for products.

Sr.No	Particulars	2015-16	2014-15
		Rupees in Lakhs	
(b)	Total Foreign exchange earned	1547.07	1258.26
	i. Sales	1282.73	1258.26
	ii. Exports	264.34	56.33
(c)	Total Foreign exchange used	2015-16	2014-15
	i. Loan Repaid	76.85	296.85
	ii. Interest	0.35	10.52
	iii. Expenses	16.50	3.45
	iv. Import	356.70	446.59

Annexure 'B' to the Directors Report

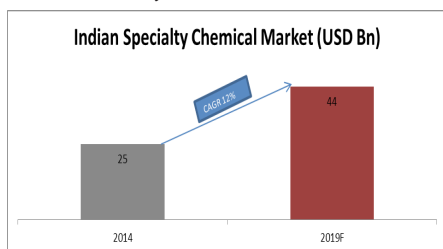
MANAGEMENT DISCUSSION AND ANALYSIS REPORT
INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Specialty chemicals

Global Specialty chemicals market was valued at around \$345.5 billion in 2014 and is expected to reach \$473.7 billion by 2020, growing at a CAGR of around 5.4%. Globally, specialty chemicals are driven by extensive product R&D and innovation, which is a significantly different over the commoditized chemical industry.

On the textile side, global specialty textile chemicals market is expected to grow at CAGR of 3.7% to around USD \$25.42 billion by 2020. Specialty chemicals for textile applications are gaining traction for process improvements, energy conservation, low effluent, superior properties etc. In the global market, demand is increasing for finishing chemicals for enhancing properties like anti-microbial properties, wrinkle-free properties, stain-resistance, etc. to be imparted to the textile.

Source: Zion Research Analysis 2015



Source: Transparent Market Research

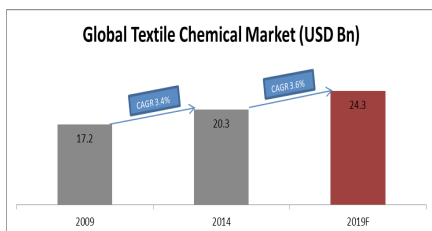
Indian Specialty chemicals

According to the FICCI report, specialty chemical market in India was valued at ~\$25.3 billion as of FY14 and is expected to reach ~\$44 billion by FY19.

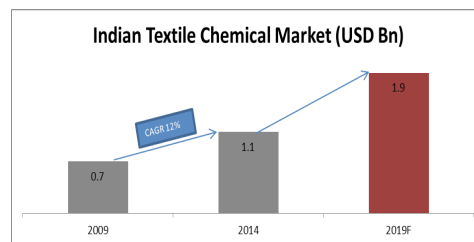
On the textile side, the specialty textile chemical market in India is expected to grow at 12% p.a. to reach \$1.9 billion by 2019. The Indian textile chemical industry is highly unorganised and fragmented. Most of the Indian textile chemical industry is concentrated in Maharashtra and Gujarat. There are more than 500 textile chemical manufacturers and 60-70% of the fabric sold in India is unbranded. There is a gradual shift happening from unorganised sector to organised sector and branded players, which is expected to accelerate going ahead. There are opportunities for Indian specialty chemical players in supplying higher value added functional chemicals to the textile markets at home (CAGR ~ 12-15%) and abroad (~ 4% CAGR).

Indian government has also taken various Initiatives major being:

- FDI up to 100% granted in chemical sector.
- Industrial licensing being abolished for most sub sector of textile chemical industry
- The Government has launched the Draft National Chemical Policy, which aims to increase chemical sector's share in country's GDP.



Source: Ficci



Source: Mckinsey

Opportunity for Specialty chemicals / Market growth drivers

Specialty chemicals are finding niche applications across textiles, industrial, infrastructure & agrochemical segments driven by the overall growth of the Indian economy.

Chinese exports have shrunk over the last few years, as there were strict penalties enforced by the Chinese Ministry of Environmental protection. This has opened up huge export opportunities for India due to its cost competitiveness, scale, reliability, R&D capability, huge pool of technical human resource & ability to customise.

Indian specialty chemicals markets saw faster growth (13% annual average), against global market growth of ~4-5% last year and has grown faster GDP in India.

As opportunities and ambitions expand, there are heightened levels of M&A interest by players across the spectrum in the specialty chemical space. The increased globalisation of the sector, sustained market opportunities and the emergence of Indian leaders are combining to create an exciting period for specialty chemicals.

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Company Section

Fineotex Group was established in 1979 by Mr. Surendra Tibrewala. FCL was incorporated as a public Limited Company in 2007. The company was listed on Bombay Stock Exchange in March 2011, and listed on the National Stock Exchange in January 2015. Fineotex is one of India's largest and most progressive specialty textile chemical manufacturers.

The Company has a unique in-house development technical expertise in production of specialty Chemical with over several decades of experience. The Company manufactures over 400 specialty chemicals and enzymes to Textile, Garment, Construction, Leather, Agrochemicals, Adhesive and Water Treatment.

The Company has manufacturing facilities in India, located at Mahape, Navi Mumbai and Malaysian Facility located at Bander Baru Bangi with combined production capacity of 22,000MT/p.a.

The Company has a global presence across 33 countries and caters to well known companies in India and overseas. The Company has received Star Export House recognition with its increase in exports.

Majority of our revenues are coming from the Textile segment, we undertake manufacturing of entire range of products for Pretreatment, Dyeing, Printing and Finishing process. Our product and process innovations pertaining to the textile segment would include few of the innovative products which brings in efficiency. Few of the products are listed below:

Product Name	Efficiency / Innovation
Bioprint RDT	Sodium Alginate Substitute
Biotex LTB	Low Temperature Bleaching Process
Biotex Nela	Multifunctional Auxiliary for Pretreatment
Finocon ADA Premium	Soda Ash Substitute
Finocon Eco Conc	Acetic Acid Substitute
Finoguard SI	Water & Oil Repellent
Finopret ZF	Zero Formaldehyde Resin
Finox SIL	Highly Concentrated Silicone
Finox XLH	Towel Silicones
Concentrated Products	Freight cost savings, High Efficiency, Low dosage requirements.

The main features of these innovative products include:

- Process Improvement by providing few generation products an increased productivity leading to reduction in time and energy.
- Reduction in Effluent Load by providing an environmentally conscious approach.
- Products with Higher Efficiency suitable for all types of Substrates, Processes and Machines.
- Reduction in per unit cost leading to higher yield products and improved productivity.

Having built a solid reputation for quality and reliability and shipping to different countries, our Company success is based on Quality, Continuity, Flexibility, Reliability, Competitive Pricing, Technology Upgradation and New Product Development.

Outlook

The Companies having innovative and diversified product mix with strong customer base will emerge as a strong market the prominent leader.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The Company's performance during the year shows a jump of 35.08% in profit after tax over the last year. There is a quantum jump in profitability due to Company's conscious effort to improve quality of the products as per customers' requirements which has helped in enhancing margins as well as increase in the market share. However due to the rising raw material costs the profit before tax has remained almost at the same level in the year under review. The Company is a zero debt Company with no borrowings for its local operations. Short term borrowings are restricted to need based working capital requirements. The salient indicators are as under :-

(Rs. In lakhs)

	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Income from Operations	6806.30	6,499.21	10873.30	10198.04
PBDIT	1,822.97	1,126.13	2,791.04	1,936.81

	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
PAT	1,513.05	1,120.68	1,971.37	1,459.49
EPS (of Rs 2/-) (Basic & Diluted)	1.35	1.00	1.52	1.15

During the year under review the plant had smooth operations.

As per the Accounting Standard 17 issued by the Institute of Chartered Accountants of India and Companies (Accounting Standards) Rules, 2006, the Company has only one segment i.e. specialty or auxiliary chemicals and preparations which are mainly used in textile processing. The Company's products play an important role in the textile manufacturing processes. With the cautious growth expected in the textile industry in the coming year with increasing demand for chemicals needed for this industry based on the increasing expectation of quality and fashionable textile products, the Company expects a growth in turnover for the current year. However the margins continue to be under stress. The total quantitative sales in 2015-16 were 8,275 MT against 7,725 MT in 2014-15. It is pertinent to note that quantity is not a very indicative criteria to evaluate performance as the quantity may vary depending upon the concentration level of products sold.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective system of receipt, storage, and utilization of materials –especially in the environment in which the Company operates. This is reflected in its Internal Financial Controls. The interventions of the Top Management in the Control processes is significantly required and this is provided by them. Its products are not standardized but each supply has to meet the requirements of the customer on his shop floor. This is backed by quality control at each stage of production, finished product storage and dispatch. It has also in place adequate accounting, administrative and adequate system of internal check and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilisation. The Company is aware that Internal Control measures require constant review and modifications to meet the changing requirement of the Indian as well as Global environment. The Company constantly reviews its adherence to the environmental norms. The Company has its own Internal Control system and the Audit Committee reviews its adequacy from time to time. Measures are taken to strengthen the same.

HUMAN RESOURCES

The Company has 48 employees at the year end including whole time Directors. The current workforce structure has a good mix of employees as all levels. The Company is aware that the success of its business depends upon its technical expert's co-ordinating with research and development staff on the one hand and marketing on the other. The Company's employee's age bracket represents a healthy mix of experienced and willing to – experience employees. Necessary training and orientation in this regard is done on a regular basis.

During the year a few innovative ideas were received from the staff, many of which were implemented for improvement in cost control and for achieving greater efficiency.

For and on behalf of the Board

Sanjay Tibrewala **Surendrakumar Tibrewala**
(Executive Director & CFO) Chairman & Managing Director
00218525 00218394

Mumbai

Dated: 25-May-2016

Annexure 'C' to the Directors Report

FINEOTEX CHEMICAL LTD.

CORPORATE GOVERNANCE REPORT

In compliance with regulation 34(3) of the SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015 ('SEBI (LODR) Regulations'), the Company submits the report for the year ended 31st March, 2016 on the matters mentioned in the said regulation and lists the practices followed by the Company in compliance with the SEBI (LODR) Regulations (w.e.f. 1st December, 2015) and clause 49 of the erstwhile Listing Agreement with Stock Exchange ('Listing Agreement') (upto 30th November, 2015.)

1. Company's Philosophy on Corporate Governance

Your Company believes in maintaining transparency in its dealings with emphasis on integrity and regulatory compliance. It attaches importance to practice of good corporate governance for meeting the interests and aspirations of the stakeholders.

2. Board of Directors

The composition of the Board of Directors and other details as on 31st March, 2016 are given below:

Name of the Director	Composition & Category	***No of other directorship in other Companies	No of other Committee Chairman/ Members	Inter-se Relationship between Directors
Mr. Surendrakumar Tibrewala (DIN 00218394)	Promoter Chairman & Managing Director	Nil	Nil	Father of Mr.Sanjay Tibrewala and Mrs. Ritu Gupta
Mr.Sanjay Tibrewala (DIN 00218525)	Promoter Executive Director	Nil	Nil	Son of Mr.Surendrakumar Tibrewala and Brother of Mrs. Ritu Gupta
Mr.Manmohan Mehta* (DIN 00391964)	Non Executive Independent Director	Nil	Nil	
Mr.Navin Mittal* (DIN 03555295)	Non Executive Independent Director	Nil	Nil	
Mr.Alok Dhanuka* (DIN 06491610)	Non Executive Independent Director	Nil	Nil	
Mrs Ritu Gupta** (DIN 00218561)	Promoter Non Executive Director	Nil	Nil	Daughter of Mr.Surendrakumar Tibrewala and Sister of Mr. Sanjay Tibrewala

*Independent Director as per section 149 of the Companies Act 2013

**Lady Director

*** The above list does not include Directorship, Committee Membership and Committee Chairmanship i Private, Foreign and Section 8 companies

The Board consists of 6 members – 2 Non retiring Directors as per the Articles of Association of the Company, 3 Independent Directors as per Section 149 of the Companies Act 2013 constituting more than one third of the Board's strength and director who is not liable to retire by rotation. The Board also has one lady member as required under section of the Companies Act, 2013.

During the year under review, 6 meetings of the Board of Directors were held and the Directors attending the same as well as the Annual General Meeting are as under:

Type of Meeting	Board	Board	Board	Board	Board	Board	AGM
Director's Name / Date of Meeting	29/05/15	12/08/15	28/09/15	10/11/15	12/02/16	14/03/16	28/09/15
Mr. Surendrakumar Tibrewala	A	P	P	P	P	P	P
Mr. Sanjay Tibrewala	P	P	P	P	P	P	P
Mr. Manmohan Mehta	A	P	P	P	P	P	P
Mr. Navin Mittal	P	P	P	P	P	P	P
Mr. Alok Dhanuka	P	P	P	P	P	P	P
Mrs. Ritu Gupta	P	P	P	P	P	P	P

The meetings of the Board of Directors are generally held at least once in a quarter and are scheduled well in advance unless it is necessary to convene the same for urgent purposes. A detailed agenda is prepared in consultation with the Chairman & Managing Director which is circulated to the members of the Board in advance.

Details of Equity Shares held by Non – Executive Directors as on 31st March 2016:

Name of Director	No. Of Shares
Mrs. Ritu Gupta	11000

The details of familiarization programmes imparted to the independent Directors are available on the website of the Company and can be accessed through the web link <http://fineotex.com/Investor-Relation.aspx>

Profile of the Directors

Mr Surendrakumar Tibrewala is the Chairman and Managing Director of the Company. He is B. Com LLB and has four decades of experience in the Company's business. He was instrumental in growing the business from scratch to one of the leading companies in this sector. He continues to contribute strategically to guide the Company on its growth path.

Mr. Sanjay Tibrewala is associated with the Company's Business for the last 16 years. He is a B. Com and has completed higher studies in Textile processing. His missionary zeal has helped the Company to develop new products which have received acceptance in domestic as well as internationally. The Company's products have a growing acceptance internationally and has help the Company achieve the Star Exporter credentials.

Mr. Manmohan Mehta was appointed as a Director of the Company on 31st December, 2007 liable to retire by rotation as per the provisions of Companies Act 1956. At the 11th Annual General Meeting held on 23rd September, 2014 he was appointed as an Independent Director within the provisions of section 149(4) of the Companies At 2013 for a period of five years. He has given the necessary declaration confirming his eligibility and willingness to act as such as required under the Act. He has an expertise in textile processing and reality business – the main focus areas of the business. He is a member of various Committees of the Board including Chairman in few cases.

Mr. Navin Mittal is a graduate with experience in steel business which the Company has benefitted in the expansion activity. He was appointed as Director on 2nd September 2011. He is a member on various Committees of the Board. He has been appointed as a Independent Director for a period of 5 years at the 12th Annual General Meeting held on 28th September 2015.

Mr. Alok Dhanuka was appointed as Director of the Company on 11th February, 2013 as Independent Directors as per the Listing Agreement with Bombay Stock Exchange Limited. He was re-appointed as Independent Directors 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. He has given the necessary declaration confirming his eligibility and willingness to act as such as required under the Act. Mr. Alok Dhanuka is an MBA Finance with experience of exports business. He is a member of various Committees of the Board including Chairman in few cases.

Mrs. Ritu Gupta was appointed as Additional Director on 13-August-2014. She is Non-Executive and Promoter Director Liable to retire by rotation. She is MBA Finance from SP Jain Centre of Management Dubai and has experience in Finance and

Management. She was also associated with the Company earlier. She has given her consent and eligibility for reappointment. Her appointment as Director would be of tremendous value to the Company being aware of the operations of the Company. Her appointment also meets the obligation of the Company under section 149(1) of the Companies Act, 2013. She is a member of various Committees of the Board.

The profile of Director to be reappointed is given separately in the notice.

3. Code of Conduct

The Board of Directors has laid down a code of conduct for all the Board members and senior management of the Company in compliance with the requirements of the listing Agreement and regulation 17(5) of the SEBI (LODR) Regulations. All the Board of Directors and senior management have affirmed with the code of conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Chairman & Managing Director has been annexed to the Corporate Governance Report. The code of conduct may be accessed through the web link <http://fineotex.com/Investor-Relation.aspx>

4. Audit Committee

The Company has a qualified Audit Committee. The terms of reference of the Committee were in accordance with the provisions of the Companies Act, 1956 and Listing Agreement. The same are being reviewed and enlarged in terms of the Companies Act, 2013 and the new Listing Regulation which became effective from 1st December 2015. The terms of reference have been approved by the Board. The terms have been enlarged to have a better review of the internal control systems as well as the Risk Management process.

The present members of the Audit Committee are Mr Alok Dhanuka is the Chairman of the Committee. Mr. Sanjay Tibrewala is the Executive Director and Mr. Manmohan Mehta is the Independent Non-Executive Directors. Company Secretary of the Company is the secretary of the Audit Committee.

The Committee met 4 times during the year and the attendance is given below.

Attendance at the Audit Committee Meetings

Name of Director	29-May-15	12-Aug-15	10-Nov-15	12-Feb-16
Mr. Alok Dhanuka	P	P	P	P
Mr. Manmohan Mehta	A	P	P	P
Mr. Sanjay Tibrewala	P	P	P	P

P = Present A= Absent

5. Nomination & Remuneration Committee

The Company has a Nomination and Remuneration Committee to recommend/review the remuneration package of the Managing Director and the Executive Directors as well as to the other members of the Board.

Mr. Manmohan Mehta is the Chairman of the Committee with Mr. Navin Mittal and Mr. Alok Dhanuka as members. All members are Independent and Non-Executive Directors.

The Committee met twice during the year and the attendance is given below.

Name of Director	29-May-15	10-Nov-15
Mr. Alok Dhanuka	P	P
Mr. Manmohan Mehta	A	P
Mr. Navin Mittal	P	P

P = Present A= Absent

Evaluation of Performance of the Board and Committees

In compliance with provision of Companies Act 2013 the directors evaluate the performance of the Board of Directors and the Audit committee. It was decided that the Non-Executive Directors evaluate the performance of the Board and the Audit Committee be evaluated by other members of the Board. An objective questionnaire was given and the ratings in the grade of 1 to 5 were sought. They were compiled by an Independent person and the consolidated rating was informed to the Board / Committee.

6. Remuneration of Directors

Payment of remuneration to the Managing Director and Executive Director is governed by the terms and conditions approved by the shareholders at the contained in the Agreement entered into with them which incorporated remuneration within the limit stipulated by the provisions of the Companies Act, 2013. The remuneration structure comprises of salary, consolidated allowance and other perquisites such as house rent allowance, medical benefits, leave travel concession, club subscription, contribution to provident, superannuation and gratuity funds and provision of car and telephone. The other provisions are as per the agreement. At the 10th Annual General Meeting held on 27th September, 2013, the shareholders had approved, by a Special Resolution, the minimum remuneration as per Schedule XIII of the Companies Act, 1956 with the provision to increase the same if the limits are increased either by the Central Government and any other enactment. The approval is for a period of 3 years from 1st October, 2013.

There is no provision for performance based incentives or stock options.

The agreements can be severed by either party by giving 6 months' notice to the other party. The Company has an option to terminate the contract by payment of six months' remuneration in lieu of notice. Central Government has notified the relevant provisions of the Companies Act 2013 and subsequently the Remuneration Committee has recommended the increase in remuneration within the limits specified under Schedule II of the Companies Act, 2013.

Committee also recommended that the payment of sitting fees to the Independent Directors. However the Committee decided not to take the sitting fees at present.

The details of remuneration paid/provided to the Executive Directors form part of the Extract of the Annual Report given in form MGT-9 as an attachment to this report.

The present agreements with the whole time Directors of the Company will come to an end on 30th September, 2016. The Company proposes to re-appoint them for a further period of 3

years as per the resolutions proposed in the notice to the ensuing Annual general meeting. The remuneration proposed is within the limits prescribed under the Companies Act, 2013.

7. Stakeholders Grievances Committee

The Company has a Stakeholders Grievances Committee of the Board of Directors under the Chairmanship of Mr. Alok Dhanuka, Non-Executive Independent Director, to look into the redressal of investors' grievances with Mr. Sanjay Tibrewala and Mr. Manmohan Mehta. Ms. Raina Dsilva, Company Secretary is the Secretary to Stakeholders Grievances Committee.

The Board of Directors has delegated power of approving transfer/transmission of shares to senior executives of the Company.

During the year 2015-16 no complaints were received by the Registrar and Transfer agents. There were no complaints on the 'SCORES' hosted on the website of Securities and Exchange Board of India (SEBI). Certain grievances regarding re-validation of dividend warrants were received and were attended accordingly and no grievance was outstanding as on 31st March, 2016. No share transfers/transmissions/issue of duplicate share certificates was pending as on 31st March, 2016.

Ms. Raina D'Silva Company Secretary is the Compliance Officer of the Company.

8. Corporate Social Responsibility Committee

Our Company being a listed company is required to have a Corporate Social Responsibility Committee (CSR) as per Section 135 of the Companies Act, 2013. Accordingly a Committee has been constituted consisting of Mr Surendrakumar Tibrewala, Mr Sanjay Tibrewala and Mr Manmohan Mehta as members. Ms. Raina D'Silva, Company Secretary is the secretary to the CSR Committee. Mr Surendrakumar Tibrewala and Mr. Manmohan Mehta have lot of experience in service to the society.

Two meeting were held on 10th November 2015 and on 12th February 2016 during the financial year 2015-16. All the members were present for the meeting.

The Corporate Social Responsibility Policy had been adopted by the Company. There was a lack of guidance with regard to the implementation of this policy. The Committee recommended that instead of starting a separate activity for this policy, the same may be implemented through the eligible Trusts established in this field.

*The Company had to spend Rs. 28.00 Lakhs during the current year including the previous year. The Short fall of Rs. 9.46 Lakhs. It has spend Rs 22.00 Lakhs due to delay in seeking the eligibility of the donee trust.

The shortfall of 2015-16 will be met in 2016-17 along with the amount due for the year 2016-17.

*These trusts are pursuing activities in the areas of educational institutions, hospitals and welfare clinics and women empowerment The Committee will also monitor the usage of the funds in the desired activities on a regular basis.

The other details about the Corporate Social Responsibility are given in Annexure 6.

9. Risk Management Committee

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

As per the requirement of the Revised Listing Regulation, Regulation 21 of the (Listing Obligation and Disclosure Requirements), Regulation 2015 with the Stock Exchanges, the Company is not required to have a Risk Management Committee.

10. Meeting of Independent Directors

The Independent Directors met once during the year to review the working of the Company, its Board and Committees. The meeting decided on the process of evaluation of the Board and Audit Committee. It designed the questionnaire on limited parameters and completed the evaluation of the Board by Non Executive Directors and of the Audit committee by other members of the Board. The same was complied by Independent authority and informed to the members.

11. Committee for Prevention of Sexual Harassment at workplace

The Company provides equal opportunities for all without any gender bias. The Company has constituted a Committee of Mr. Surendrakumar Tibrewala and Mrs. Ritu Gupta. Two lady employees is co-opted at the local workplace on the Committee.

No complaint was received.

12. Whistle Blower Policy

As required by the Listing Agreement, the Company has a whistle blower policy. The same is being informed to all the employees. The Contact persons are the Chairman of the Audit committee and/or General Manager at the Registered Office of the Company.

13. Disclosures

- The Company did not enter into any materially significant related party transactions with its promoters, directors or the management, their subsidiaries, relatives etc, during the year that may have a potential conflict with the interest of the Company at large except that are disclosed in the accounts. The Company get some processing done from an entity where the Executive Director is a significant shareholder and taken premises and production facilities on rent from a relative of the Directors. Some sales have been made to the proprietary concern of the Executive Director. These have been disclosed in the accounts and other public documents. Wherever required, the approval of the Central Government is also obtained.
- There was no pecuniary relationship or transactions with Non-Executive Directors.
- The details of related party policy are available on the website of the Company and can be accessed through the web link <http://fineotex.com/Investor-Relation.aspx>

14. Details of General Body Meetings

Details of location and time of last three Annual General Meetings are as follows:

Year	Venue	Date	Time
2013-14	Gokul Hall, Rajpuria Bagh, Navinbhai Thakkar Road, Vile Parle (E), Mumbai 400057.	23-Sep-2014	9.30 A.M.
2014-15	Rajpuria Bagh, Navinbhai Thakkar Road, Vile Parle (E), Mumbai 400057.	28-Sep-2015	10.00 A.M.
2015-16	Rajpuria Bagh, Navinbhai Thakkar Road, Vile Parle (E), Mumbai 400057.	20-Sept-2016	10.00 A.M.

Special Resolutions were proposed at the 12th Annual General Meeting held on 28th September, 2015 and were approved unanimously.

No Extra-Ordinary General Meeting was convened during the year 2015-16.

Means of Communication.

The Company has a website www.fineotex.com. The Company's Email Id is info@fineotex.com. Individual communication of the half yearly results is not made to the shareholders.

The Company has 5984 shareholders as on 31st March, 2016 and the total holding is in dematerialised form except for 12 shareholders holding physical shares.

The Annual Report consisting of Directors' Report, Auditors' report and detailed accounts form an integral part of communication sent annually to the shareholders in physical or via email where the depository provide email addresses whereas the Annual General Meeting is a means for face to face communication.

The quarterly unaudited financial results would be published in Free Press Journal (English) and Navashakti (Marathi) as per the requirements of the listing agreement.

The presentations made to institutional investors or to the analysts are uploaded on the website and can be viewed on the web link <http://fineotex.com/Investor-Relation.aspx>

General Shareholder Information

- 13th Annual General Meeting:

Date and Time	: Tuesday 20 th September 2016 10.00 A.M.
Venue	: Rajpuria Bagh, Navinbhai Thakkar Road, Vile Parle (E), Mumbai 400057.
- Financial Calendar

Period	: The Company's Financial Year is a 12 months period from April to following March. Dates for Unaudited/ Audited Results.
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April- June 2016 1st Fortnight of August 2016
 July-Sept. 2016 1st Fortnight of November 2016
 Oct-Dec 2016 1st Fortnight of February 2017
 Jan-Mar -2017 before 30th May 2017

c. Book Closure : Friday 16th September 2016 - Tuesday 20th September 2016

d. Dividend payment date : N.A.

d. List of Stock Exchanges where applications for listing of shares have been made

Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers,
 Mumbai Dalal Street, Mumbai-400 023

National Stock Exchange of India Limited BKC, Bandra (E), Mumbai 400051

e. Stock Code & Scrip Id

Bombay Stock Exchange Ltd, Mumbai Code 533333

National Stock Exchange of India Limited Id FCL

f. Market Price Data The shares of the Company were traded as under during 2015-16.

Month	BSE			NSE		
	High (Rs.)	Low (Rs)	Turnover (Rs.in Lakh)	High (Rs.)	Low (Rs)	Turnover (Rs.in Lakh)
April 2015	145.00	110.00	615.98	132.18	122.69	101.06
May 2015	180.30	116.00	626.13	143.93	133.81	85.77
June 2015	194.50	32.20	1001.19	88.92	80.34	150.52
July 2015	44.60	33.35	1378.78	39.39	36.39	282.95
August 2015	40.00	17.80	1114.96	30.46	27.73	84.78
September 2015	27.00	19.30	221.00	22.90	21.66	17.67
October 2015	27.50	20.00	174.23	24.77	23.38	15.09
November 2015	30.50	22.00	454.02	25.41	23.77	54.37
December 2015	37.95	26.80	1301.43	32.45	30.17	97.40
January 2016	37.50	23.85	836.99	31.93	29.15	45.36
February 2016	28.50	19.50	179.84	25.26	23.24	19.13
March 2016	34.50	22.00	472.56	27.21	25.46	53.72

The face value of the share was Rs. 10/- per equity share upto June,2015 and Rs. 2/- per equity share thereafter.

g. Market Price variation in relation to BSE Sensex during 2015-16

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 2015	145.00	110.00	29094.61	26897.54
May 2015	180.30	116.00	28071.16	26423.99
June 2015	194.50	32.20	27968.75	26307.07
July 2015	44.60	33.35	28578.33	27416.39
August 2015	40.00	17.80	28417.59	25298.42
September 2015	27.00	19.30	26471.82	24833.54
October 2015	27.50	20.00	27618.14	26168.71
November 2015	30.50	22.00	26824.3	25451.42
December 2015	37.95	26.80	26256.42	24867.73
January 2016	37.50	23.85	26197.27	23839.76
February 2016	28.50	19.50	25002.32	22494.61
March 2016	34.50	22.00	25479.62	23133.18

The face value of the share was Rs. 10/- per equity share upto June,2015 and Rs. 2/- per equity share thereafter.

h. Market Price variation in relation to NSE Nifty during 2015-16

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 2015	132.18	122.69	29094.61	26897.54
May 2015	143.93	133.81	28071.16	26423.99
June 2015	88.92	80.34	27968.75	26307.07
July 2015	39.39	36.39	28578.33	27416.39
August 2015	30.46	27.73	28417.59	25298.42
September 2015	22.90	21.66	26471.82	24833.54
October 2015	24.77	23.38	27618.14	26168.71
November 2015	25.41	23.77	26824.3	25451.42
December 2015	32.45	30.17	26256.42	24867.73
January 2016	31.93	29.15	26197.27	23839.76
February 2016	25.26	23.24	25002.32	22494.61
March 2016	27.21	25.46	25479.62	23133.18

The face value of the share was Rs. 10/- per equity share upto June,2015 and Rs. 2/- per equity share thereafter

i. Share Transfer System

99.99% shares are held in dematerialised form and hence the transfer is done through the depository participants.

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

j. Dematerialisation of shares

99.99 % of total Equity Share Capital is held in dematerialised form with NSDL and CDSL as at 31st March 2016.

Members can hold shares in electronic form and trade the same in Depository system. However, they may hold the same in physical form also.

International Securities Identification Number INE045J01026

k. Shareholding Pattern as on 31st March, 2016

Category	No. of shareholders	No. of Equity Shares held	Percentage of Shareholding
Promoters (Non Corporate)	8	76509020	68.13
Promoters (Corporate)	2	4028000	3.59
Bodies Corporate	198	9829713	8.75
Clearing Members	141	673046	0.60
Non Resident Indians	133	421444	0.37
Public	5502	20836887	18.55
Total	5984	11,22,98,110	100.00

l. Distribution of shareholding as on 31st March, 2016

Category (no. Of shares)	No of shareholders	Shares held	% of shareholding
1-5000	5242	5179688	2.3062
5001-10000	334	2555916	1.1380
10001-20000	149	2309340	1.0282
20001-30000	62	1614640	0.7189
30001-40000	44	1611692	0.7176
40001-50000	23	1084786	0.4830
50001-100000	55	4033782	1.7960
100001> 9999999999	75	206206376	91.8120
Total	5984	224596220	100.00

FINEOTEX CHEMICAL LIMITED

- m. Distribution of shares held in physical form and with depositories as on 31st March, 2016 :

Held with	No of shareholders	No of shares
Physical	12	6,970
National Securities Depository Limited	3250	9,55,82,247
Central Depository Services (I) Ltd	2722	1,67,08,893
Total	5984	11,22,98,110

- n. Loans & advances not in the nature of loans to subsidiaries

Name of Subsidiary	Balance as at 31 st March, 2016	Maximum Outstanding during the year
Manya Steels Pvt Ltd*	93,50,000	

*Rent Deposit

- o. Company Registration number with
ROC/ Ministry of Corporate Affairs L24100MH2004PLC144295
- p. Plant location-
A-699/700, TTC Industrial Area Mahape, New Mumbai
- q. Address for correspondence
- i) Registrars and Share Transfer Agents: (For shares and dividend related queries)
Bigshare Services Private Ltd.,
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka, Andheri (East),
Mumbai 400072
Phone : (022) 40430200 Telefax: (02) 28475207
- ii) Company
(For any other matter, unresolved complaints)
Company Secretary
Fineotex Chemical Limited
42/43, Manorama Chambers,
S V Road, Bandra West
Mumbai 400050
- r. E-mail info@fineotex.com
- s. Investors Grievances grievances@fineotex.com
- t. Phone No: 022-26559174-75
- u. Fax No. 022-26559178
- v. Website : www.fineotex.com

For and on behalf of the Board

Sanjay Tibrewala
(Executive Director & CFO)
00218525

Surendrakumar Tibrewala
Chairman & Managing Director
00218394

Mumbai
Dated: 25-May-2016

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

To Board of Directors,
Fineotex Chemical Limited.

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

(Surendrakumar Tibrewala)
Chairman and Managing Director

(Sanjay Tibrewala)
Executive Director & CFO

Mumbai 25-May-2016

ANNEXURE TO CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST MARCH 2016

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

All Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2016.

For and on behalf of the Board

(Surendrakumar Tibrewala)
Chairman & Managing Director

Mumbai: 25-May-2016

Annexure 1

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

Amounts outstanding as on 31st March, 2016

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

Loans, deposits, guarantees and investments made during the Financial Year 2015-16

Name of Entity	Relation	Amount	Particulars	Purpose for which given
Manya Steels P.Ltd	WOS	14,50,000	Deposit for Rent	Business Purpose
Mutual Funds (net)		6,38,54,937	Investments	Cash Management
Equity Shares (net)		3,29,38,760	Investments	Cash Management
Fineotex Specialities FZE	WOS	18,19,332	Investments	Business Purpose

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 arms length transactions under third proviso thereto:

1	Details of Contracts or arrangements or transactions not at arm's length basis					
a.	Name of Related Party and Relationship	Surendrakumar Tibrewala CMD	Sanjay Tibrewala Wholetime Director	Kanaklata Tibrewala Relative of Directors	Proton Biochem P Ltd Significant influence of Directors	Sanjay Exports - Significant influence by Director
b.	Nature of contracts/ arrangements// transaction	Remuneration & Rent for Office premises	Remuneration	Renting	Processing of chemicals & Interest on Deposit	Sale of goods for exports
c.	Duration of the contract	1.10.2013 to 30.9.2016	1.10.2013 to 30.9.2016	3 years	Continuing	Continuing
d.	Salient terms of contract including Value	Salary perquisites and retirals Rs.32,40,000/- & Rent Rs 8,82,000/-	Salary perquisites and retirals Rs.32,40,000/-	Rent of Office premises and Factory & Deposit Rs. 828000 (incl Rs. 62100 payable) and Deposit Rs. 19500000	Company gets the material processed from the party Rs.2,17,01,073 Interest for the year Rs. 4,12,603/-, deposit given Rs. 50,00,000/-Deposit returned during the year.	Company's products were exported through this party. However no exports during the year.
e.	Justification of contracts	Requirement of Sc. 269 of Companies Act, 1956 & Sec. 203 of Companies Act, 2013	Requirement of Sc. 269 of Companies Act, 1956 & Sec. 203 of Companies Act, 2013	For business. Approved by Regional Director and shareholders	Business requirement. Approved by Regional Director and shareholders	Business requirement. Approved by Regional Director and shareholders
f.	Date of Board Approval	5/15/2013	5/15/2013	2/11/2013	12/31/2012	3/28/2007
g.	Amount paid as Advance	Nil	Nil	19500000	5000000 at 12% pa interest. Nil from 07-Dec-15	Nil
h.	Date of Special resolution	9/27/2013	9/27/2013	9/23/2014	9/23/2014	9/23/2014

2	Details of Contracts or arrangements or transactions at arm's length basis					
a.	Name of the related Party and relation	Fineotex Malaysia Ltd	BT Chemical SDN BHD	A V Nerurkar	Raina D'silva	Manya Steels P Ltd
		WOS	2nd Tier subsidiary	Company Secretary	Company Secretary	WOS
b.	Nature of transactions	Dividend	Sales in normal course	Remuneration	Remuneration	Deposit -Rent
c.	Duration of transactions	as and when	as and when	Upto 12-Nov.- 2015	From 12-Nov-15	in tranches
d.	Salient terms of the contract and value	2,64,33,840/-	25,99,875/-	Employment terms Rs. 3,85,000/-	Employment terms Rs. 1,32,900/-	Rent Deposit Rs. 93,50,000/-as at year end
e.	Details of approval of the Board, if any	Not required	Not required	6/25/2007	11/12/2015	Not required
f.	Amount paid as Advance if any Rs.	Nil	Nil	Nil	Nil	Nil

Sanjay Tibrewala
(Executive Director & CFO)
00218525

Surendrakumar Tibrewala
Chairman & Managing Director
00218394

Annexure 3

Statement of Disclosure of Remuneration under section 197 of the Companies Act, 2012 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 2015-16

S . No	Name of Employee	Designation	Ratio of Remuneration of each Director to median employee	% increase in Remuneration
1.	Suendrakumar Tibrewala	CMD	12.6:1	-10.7%
2.	Sanjay Tibrewala	Executive Director & CFO	12.6:1	-10.7%
3.	Raina D'Silva	Company Secretary	NA	

Note

- a. No remuneration is paid to Non Executive Director
- b. The Remuneration has decreased as the Executive Directors have not claimed certain perquisites during the year.
 1. The percentage increase in median employee for the financial year was 8.72%
 2. The Company has 48 permanent employees including Executive Directors
 3. Relationship between average increase in remuneration and Company's performance : The remuneration./ policy of the Company Employees is based on the philosophy to reward and drive performance culture. Every year the salary increases are decided to provide reward on the basis of market opportunity determined by benchmarking the rewards with similar profile organizations. Variable component is an important criteria which is dependent of individual performance rating, business performance and market competitiveness of the Company. The profits have increased over 35% while average increase in remuneration is 9.77% excluding Executive Directors.
 4. 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 profit after tax increased by over 35% during the year. During the year the increase in staff costs is ovre 12%.
 5. The market capitalization has increased from Rs. 20542 Lakhs on 31-03-2015 to Rs. 36328 Lakhs on 31-03-2016. In March 2011 the shares were issued at Rs. 70 per share of face value of Rs. 10 each. The corresponding price stood at Rs. 323.50 per share of Rs. 2 each post bonus.
 6. The average percentage increased in remuneration of employees other than Directors during the year is 9.77%
 7. 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
 8. The remuneration is paid as per the remuneration policy of the Company

For and on behalf of the Board

Sanjay Tibrewala
(Executive Director & CFO)
00218525

Surendrakumar Tibrewala
Chairman & Managing Director
00218394

Mumbai, 25-May-2016

Annexure '4' Directors' Report

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 Clause 49 of the Listing Agreement, 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 upto 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

On behalf of Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director

Date: May 25, 2016

Place: Mumbai

Annexure '5' Directors' Report

SECRETARIAL AUDIT REPORT

Form No. MR-3

For Financial Year Ended On 31st March, 2016.

[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 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, 2016, 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 **Fineotex Chemical Limited** ("The Company"), for the year ended on 31st March, 2016 according to the extent applicable provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

We have also examined compliance 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 (with effect from 1st December, 2015);
- iii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Agreement/Obligations mentioned above.

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. The Environment (Protection) Act, 1986; and
- b. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and
- c. Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards.
- d. Factories Act, 1948;

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 the company has:

1. declared Interim Dividend @ 10% i.e 0.20 on equity shares of Face Value of Rs. 2 each and paid by the company 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.
2. declared The Final dividend and paid by the Company for the financial year ended 31st March, 2015 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.
3. approved the sub-division of 1 (One) Equity Shares of the Company having face value of Rs. 10/- each into 5 (Five) Equity shares of face value of Rs. 2/- each and consequential alteration in the relevant clauses relating to Memorandum of Association of the Company.
4. consolidated Financial Statements for the year ended 31st March 2016 contains five foreign subsidiaries, accounts of which are unaudited.
5. appointed one of its employee as an Internal Auditor of the Company.

For **HS Associates**
Company Secretaries

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

Date: 25th May, 2016
Place: Mumbai

Annexure 6 Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline of Company's CSR Policy : The policy encompasses the company's philosophy for outlining its social responsibility lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. It was adopted by the Board on 23rd September, 2014.
2. Composition of Committee
 - Mr. Surendrakumar Tibrewala Chairman
 - Mr. Sanjay Tibrewala
 - Mr. Manmohan Mehta Independent Director
 - The Committee met twice in the year
3. Average Net Profits of the Company for last 3 years : Rs. 1048.76 Lakhs
4. Prescribed CSR Expenditure (2% of Item 3) : Rs.21 Lakhs
5. Amount brought forward : Rs. 9.46 Lakhs
5. Details of Amount spent and unspent
 - a. Total Amount Spent : Rs. 22.00 Lakhs
 - b. Amount Unspent : Rs. 8.46 Lakhs
 - c. Reasons for not spending : The Company had lesser time due to the new policy and would complete the spending of the balance amount in the 2016-17.
6. Amount spent for following activities :
 - a. Education of any persons and enable them to earn an independent livelihood and thereby become useful and efficient citizen of India.
 - b. Rendering help/assistance to deserving persons by payment of fees, allowances, scholarship for the purpose of education.
 - c. Rendering help or assistance to deserving and needy members of Indian community by means of cash allowance and providing necessities for life.
 - d. Rendering help to deserving persons for medical purpose, to run hospitals, aushadalayas, maternity homes, sanitoriums, dispensaries, family welfare citizens.
 - e. Render help to run religious institutions.
 - f. Render financial help in establishing, conducting and maintaining houses for old aged and needy persons.
 - g. To provide financial assistance and supply items of necessity like food, clothing, medicine etc. for running and maintenance of houses for destitute, aged persons/retired needed persons.
 - h. Organize re-habilitation of destitute, old age persons wherever possible and provide assistance in cash.
 - i. To provide relief to people in distress like tempest, flood, earthquake, drought & other natural calamities.
 - j. To promote, establish, maintain, look after veterinary hospital for treatment of animals.
 - k. To look after family planning centres and nursing homes/ run eye bank, blood bank, organ banks etc.

The funds have been given to recognized trusts which carry out these activities. The Committee would in co-ordination through the Trustees would make best efforts to keep track that the expenses are utilized on an overall basis towards the objectives for which they have to be used.
7. CSR Committee Responsibility statement

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company

For and on behalf of the Board

Surendrakumar Tibrewala
Chairman & Managing Director
CSR Committee Member

Date: May 25, 2016
Place: Mumbai

Annexure 7 Directors' Report

EXTRACT OF ANNUAL RETURN

As on financial ended on 31st March, 2016

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014)

Form No. MGT-9

1 Registration and other details

Company Identification Number (CIN)	L24100MH2004PLC144295
Registration Date	30 th January, 2004
Name of the Company	Fineotex Chemical Limited
Category/Sub-category of the Company	Company Limited By Shares
Address of the Registered Office and Contact details	42/43, Manorama Chambers, SV Road, Bandra (West), Mumbai 400050. 022-26559174-77 Fax 022-26559178 info@fineotex.com : www.fineotex.com
Whether Listed Company	Yes on Bombay Stock Exchange Limited & National Stock Exchange of India Limited
Name, Address & Contact Details of Registrar & Transfer Agents	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka Andheri (East), Mumbai 400 072.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of chemical products or preparations of a kind used in the textiles, paper, leather and like industries	20297	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sr. No	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Fineotex Mayalsia Limited		Subsidiary	100	2(87)
2	Rovatex Shd Bhd		Subsidiary	60	2(87)
3	BT Biotex Sdn Bhd		Subsidiary	60	2(87)
4	BT Chemicals Sdn Bhd		Subsidiary	60	2(87)
5	Fineotex Specialities FZE		Subsidiary	100	2(87)
6	Manya Private Limited	U24200MH2009PTC195660	Subsidiary	100	2(87)
7	FCL Landmarc Private Limited	U45400MH2013PTC240961	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholder		No. of Shares held at the beginning of the year (As On 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
Indian										
(a)	Individual / HUF	15301804	0	15301804	68.13	76509020	0	76509020	68.13	0
(b)	Central / State government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	805600	0	805600	3.59	4028000	0	4028000	3.59	0
(d)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (Specify)	0	0	0	0	0	0	0	0	0
(i)	Group Companies	0	0	0	0	0	0	0	0	0
(ii)	Directors Relatives	0	0	0	0	0	0	0	0	0
	Sub Total (A)(1) :	16107404	0	16107404	71.72	80537020	0	80537020	71.72	

FINEOTEX CHEMICAL LIMITED

Category of Shareholder		No. of Shares held at the beginning of the year (As On 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
Foreign										
(a)	Bodies Corporate									
(b)	Individual									
(c)	Institutions									
(d)	Qualified Foreign Investor									
(e)	Any Others (Specify)									
	Sub Total (A)(2) :									
	Total holding for promoters									
	(A)=(A)(1) + (A)(2)	16107404		16107404	71.72	80537020	0	80537020	71.72	
(B)	Public shareholding									
Institutions										
(a)	Central / State Government(S)									
(b)	Financial Institutions / Banks									
(c)	Mutual Funds / Uti									
(d)	Venture Capital Funds									
(e)	Insurance Companies									
(f)	FII's	200000	0	200000	0.90	0	0	0	0	0
(g)	Foreign Venture Capital Investors									
(h)	Qualified Foreign Investor									
(i)	Any Others (Specify)									
(j)	Foreign Portfolio Investor	0	0	0	0	80000	0	80000	0.07	0.07
(k)	Alternate Investment Fund	0	0	0	0	0	0	0	0	0
	Sub Total (B)(1) :	200000	0	200000	0.90	80000	0	80000	0.07	(0.83)
Non-institutions										
(a)	Bodies Corporate	2102696	0	2102696	9.36	9829713	0	9829713	8.75	(0.61)
(b)	Individual									
(i)	(Capital Upto To Rs. 1 Lakh)	870655	1371	872026	3.92	7441164	6970	7448134	6.63	2.71
(ii)	(Capital Greater Than Rs. 1 Lakh)	3094616	0	3094616	13.91	13388753	0	13388753	11.92	(1.85)
(c)	Any Others (Specify)	0	0	0	0	0	0	0	0	0
(i)	Trusts	0	0	0	0	0	0	0	0	0
(ii)	Clearing Member	44071	0	44071	0.20	673046	0	673046	0.60	0.40
(iii)	Non Resident Indians (NRI)	38809	0	38809	0.17	341444	0	341444	0.30	0.13
(iv)	Directors Relatives	0	0	0	0	0	0	0	0	0
(v)	Employee									
(vi)	Overseas Bodies Corporates									
(vii)	Unclaimed Suspense Account									
(d)	Qualified Foreign Investor									
	Sub Total (B)(2) :	6150847	1371	6152218	27.39	31674120	6970	31681090	28.21	0.82
	Total Public Shareholding(B)=(B)(1) + (B)(2)	6350847	1371	6350847	28.29	31754120	6970	31761090	28.29	0

(C) Shares held by Custodians and against which Depository Receipts have been issued										
	Category of Shareholder	No. of Shares held at the beginning of the year (As On 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
	Shares Held By Custodians	0	0	0	0	0	0	0	0	0
	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
	Public	0	0	0	0	0	0	0	0	0
	Sub Total (C)(1)	0	0	0	0	0	0	0	0	0
	(C)=(C)(1)	0	0	0	0	0	0	0	0	0
	Grand Total (A) + (B) + (C)	22458251	1371	22459622	100	112291140	6970	112298110	100	0

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2015)			Share holding at the end of the year (As on 31.03.2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Surendra Tibrewala	11438000	50.93	0	57190000	50.93	0	0
2	Surendrakumar Deviprasad Tibrewala	2393166	10.66	0	11965830	10.66	0	0
3	Kanaklata Tibrewala	656340	2.92	0	3281700	2.92	0	0
4	Kamal Chemicals Pvt Ltd	590900	2.63	0	2954500	2.63	0	0
5	Sanjay Tibrewala	642798	2.86	0	3213990	2.86	0	0
6	Proton Biochem Pvt Ltd	214700	0.96	0	1073500	0.96	0	0
7	Surendra Tibrewala	169100	0.75	0	845500	0.75	0	0
8	Ritu Tibrewala	2200	0.01	0	11000	0.01	0	0
9	Nidhi Tibrewala	200	0.00	0	1000	0.00	0	0
	Total	16107404	71.72	0	80537020	71.72	0	0

(iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year (As on 01.04.2015)		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Surendra Tibrewala	13831166	61.59	19.06.2015	1:5	Split	69155830	61.59
2.	Surendra Tibrewala (HUF)	169100	0.75	19.06.2015	1:5	Split	845500	0.75
3.	Kanaklata Tibrewala	656340	2.92	19.06.2015	1:5	Split	3281700	2.92
4.	Kamal Chemicals Pvt Ltd	590900	2.63	19.06.2015	1:5	Split	2954500	2.63
5.	Sanjay Tibrewala	642798	2.86	19.06.2015	1:5	Split	3213990	2.86
6.	Proton Biochem Pvt Ltd	214700	0.95	19.06.2015	1:5	Split	1073500	0.95
7.	Ritu Tibrewala	2200	0.01	19.05.2015	1:5	Split	11000	0.01
8.	Nidhi Tibrewala	200	0.00	19.05.2015	1:5	Split	1000	0.00

*Date of transfer has been considered as the date on which the beneficiary was provided by the Depositories to your Company.

(iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's Name	Shareholding		Date wise increase/decrease on Share Holding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the company	Date*	Increase/ (Decrease) in holding	Reason	No. of Shares	% of total Shares of the company
1.	Amitabh Harivansh Rai Bachchan	1223414	5.45	01.04.2015				
				27.05.2015	-35000	Transfer	1188414	5.29
				19.06.2015	4718656	Split	5942070	5.29
				15.09.2015	-44625	Transfer	5897445	5.25
				06.10.2015	-85000	Transfer	5812445	5.18
				07.10.2015	-100663	Transfer	5711782	5.09
				26.11.2015	-400000	Transfer	5311782	4.73
				02.12.2015	-52074	Transfer	5259708	4.68
				29.12.2015	-40000	Transfer	5219708	4.65
		5219708	4.65	31.03.2016				
2.	Globe Capital Market Ltd	433400	1.93	01.04.2015				
				10.04.2015	-432241	Transfer	1159	0.01
				17.04.2015	-302	Transfer	857	0.00
				24.04.2015	24000	Transfer	24857	0.11
				15.05.2015	-282	Transfer	24575	0.11
				22.05.2015	-250	Transfer	24325	0.11
				29.05.2015	-24000	Transfer	325	0.00
				05.06.2015	80300	Transfer	80625	0.36
				12.06.2015	58220	Transfer	138845	0.62
				19.06.2015	-68220	Transfer	70625	0.31
				19.06.2015	282500	Split	353125	0.31
				26.06.2015	-350000	Transfer	3125	0.00
				30.06.2015	25000	Transfer	28125	0.03
				03.07.2015	441015	Transfer	469140	0.42
				10.07.2015	-438900	Transfer	30240	0.03
				17.07.2015	509100	Transfer	539340	0.48
				24.07.2015	-35915	Transfer	503425	0.45
				31.07.2015	-155400	Transfer	348025	0.31
				07.08.2015	60367	Transfer	408392	0.36
				14.08.2015	-120302	Transfer	288090	0.26
				21.08.2015	-248365	Transfer	39725	0.04
				28.08.2015	2809750	Transfer	2849475	2.54
				04.09.2015	-220863	Transfer	2628612	2.34
				18.09.2015	-75000	Transfer	2553612	2.27
				25.09.2015	-100	Transfer	2553512	2.27
				30.09.2015	2106	Transfer	2555618	2.28
				09.10.2015	-53043	Transfer	2502575	2.23
				30.10.2015	400	Transfer	2502975	2.23
				13.11.2015	-400	Transfer	2502575	2.23
				20.11.2015	1130	Transfer	2503705	2.23
				04.12.2015	-1400	Transfer	2502305	2.23
				18.12.2015	200	Transfer	2502505	2.23
				25.12.2015	150	Transfer	2502655	2.23
				31.12.2015	200	Transfer	2502855	2.23
				15.01.2016	70	Transfer	2502925	2.23
				22.01.2016	-550	Transfer	2502375	2.23
				29.01.2016	750	Transfer	2503125	2.23
				05.02.2016	-400	Transfer	2502725	2.23
				19.02.2016	2475	Transfer	2505200	2.23
				26.02.2016	600	Transfer	2505800	2.23
				04.03.2016	-250	Transfer	2505550	2.23
				11.03.2016	-1250	Transfer	2504300	2.23
				18.03.2016	-549025	Transfer	1955275	1.74
				25.03.2016	-200	Transfer	1955075	1.74
				31.03.2016	-1000	Transfer	1954075	1.74
		1954075	1.74					

Sr. No.	Shareholder's Name	Shareholding		Date wise increase/decrease on Share Holding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the company	Date*	Increase/ (Decrease) in holding	Reason	No. of Shares	% of total Shares of the company
3.	Nilam Sanjay Mittal	487389	2.17	01.04.2015 10.04.2015 17.04.2015 08.05.2015 22.05.2015 29.05.2015 19.06.2015 06.11.2015 27.11.2015 18.12.2015 25.12.2015 31.12.2015 01.01.2016 31.03.2016	 94087 -43000 -36450 -12100 -27320 1850424 -148950 -90000 -19000 -28000 -127000 -5000	 Transfer Transfer Transfer Transfer Transfer Split Transfer Transfer Transfer Transfer Transfer Transfer Transfer	 581476 538476 502026 489926 462606 2313030 2164080 2074080 2055080 2027080 1900080 1895080	 2.59 2.40 2.24 2.18 2.06 2.06 1.93 1.85 1.83 1.81 1.69 1.69
4.	Anoop Jain	294660 1473300	1.31 1.31	01.04.2015 19.06.2015	 1178640	 Split	 1473300	 1.31
5.	Sushila Rambabu Mittal	154376 771880	0.69	01.04.2015 19.06.2015 31.03.2015		 Split	 771880	 0.69
6.	Yash Management And Satellite Limited	69000 760000	0.31 0.68	01.04.2015 29.05.2015 19.06.2015 22.01.2016 31.03.2016	 27000 240000	 Transfer Split Transfer	 96000 520000 760000	 0.42 0.46 0.68
7.	Upsurge Investment And Finance Ltd	161831 1233205	0.72 1.10	01.04.2015 24.04.2015 08.05.2015 29.05.2015 19.06.2015 31.07.2015 14.08.2015 06.11.2015 31.03.2016	 44000 13000 220 876204 112650 300 25000	 Transfer Transfer Transfer Split Transfer Transfer Transfer	 205831 218831 219051 1095255 1207905 1208205 1233205	 0.92 0.97 0.98 0.98 1.08 1.08 1.10
8.	Asian Markets Securities Pvt Ltd.	140000 661852	0.62 0.59	01.04.2015 19.06.2015 04.09.2015 31.03.2016	 560000 (38148)	 Transfer Transfer	 700000 661852	 0.62 0.59

FINEOTEX CHEMICAL LIMITED

Sr. No.	Shareholder's Name	Shareholding		Date wise increase/decrease on Share Holding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the company	Date*	Increase/ (Decrease) in holding	Reason	No. of Shares	% of total Shares of the company
9.	JM Financial Services Pvt. Ltd.	4850	0	01.04.2015				
				03.04.2015	600	Transfer	5450	0.02
				10.04.2015	-3997	Transfer	1453	0.01
				17.04.2015	455	Transfer	1908	0.01
				24.04.2015	128112	Transfer	130020	0.58
				01.05.2015	30	Transfer	130050	0.58
				08.05.2015	850	Transfer	130900	0.58
				15.05.2015	-900	Transfer	130000	0.58
				29.05.2015	2221	Transfer	132221	0.59
				05.06.2015	-2136	Transfer	130085	0.58
				12.06.2015	-85	Transfer	130000	0.58
				19.06.2015	520000	Split	650000	0.58
				26.06.2015	-515844	Transfer	134156	0.12
				10.07.2015	125000	Transfer	259156	0.23
				17.07.2015	-70000	Transfer	189156	0.17
				21.08.2015	-54100	Transfer	135056	0.12
				28.08.2015	-700	Transfer	134356	0.12
				04.09.2015	700	Transfer	135056	0.12
				13.11.2015	-881	Transfer	134175	0.12
				04.12.2015	585825	Transfer	720000	0.64
				31.12.2015	69900	Transfer	650100	0.58
				08.01.2016	400	Transfer	650500	0.58
				15.01.2016	-475	Transfer	650025	0.58
				22.01.2016	975	Transfer	651000	0.58
				29.01.2016	-970	Transfer	650030	0.58
				05.02.2016	3262	Transfer	653292	0.58
				12.02.2016	-2792	Transfer	650500	0.58
				19.02.2016	-470	Transfer	650030	0.58
				18.03.2016	174	Transfer	650204	0.58
		650240	0.58	31.03.2016	36	Transfer	650240	0.58
10.	Dhanlaxmi Cotex Ltd.	0	0.00	01.04.2015				
				31.12.2015	390000	Transfer	390000	0.35
		390000		31.03.2016				

*The Equity shares of the Company having face Rs. 10/- each were split into equity shares of face value Rs. 2/- each with effect from 29.05.2016.

(iii) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date wise increase/decrease on Share Holding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)			Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of Shares at the beginning of the year (01.04.2015) / end of the year (31.03.2016)	% of total Shares of the company	Date*	Increase/ (Decrease)	Reason	No. of Shares	% of total Shares of the company
1.	Surendrakumar Tibrewala	69155830 13831166	61.58 61.58	01.04.2015 31.03.2016	0	0	0	0
2.	Sanjay Tibrewala	642798 3213990	2.86 2.86	01.04.2015 31.03.2016	0	0	0	0
3.	Ritu Gupta	2200 11000	0.02 0.02	01.04.2015 31.03.2016	0	0	0	0
4.	Navin Mittal	--	--				--	--
5.	Manmohan Mehta	--	--				--	--
6.	Alok Dhanuka	--	--				--	--
7.	Raina D'Silva	--	--				--	--

*The Equity shares of the Company having face Rs. 10/- each were split into equity shares of face value Rs. 2/- each with effect from 29.05.2016.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17774022	Nil	Nil	17774022
ii) Interest due but not paid	-	Nil	Nil	-
iii) Interest accrued but not due	60652	Nil	Nil	60652
Total (i+ii+iii)	17834674	Nil	Nil	17834674
Change in Indebtedness during the financial year				
Additions	20298453	Nil	Nil	20298453
Deletions	7685152	Nil	Nil	7685152
Net Change	12613301	Nil	Nil	12613301
Indebtedness at the end of the financial year				
i) Principal Amount	30447975	Nil	Nil	30447975
ii) Interest due but not paid	-	Nil	Nil	-
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	30447975	Nil	Nil	30447975

Trade deposits from customers not considered as deposits u/s 2(31) of the Companies Act, 2013.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (Rs.)
		Surendra Tibrewlala (Managing Director)	Sanjay Tibrewlala (WTD and CFO)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,40,000	32,40,000	64,80,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission: - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	32,40,000	32,40,000	64,80,000
	Ceiling as per the Act			

B. Remuneration to Other Directors:

Sl. no.	Particulars of Remuneration	Name of Director			Total Amount (Rs.)
1.	Independent Director	Manmohan Mehta	Navin Mittal	Alok Dhanuka	
	a. Fee for attending board / committee meetings.	NIL	NIL	NIL	NIL
	b. Commission	NIL	NIL	NIL	NIL
	c. Others, please specify	NIL	NIL	NIL	NIL
	Total (1)				NIL
2.	Other Non-Executive Directors	Ritu Aditya Gupta			
	a. Fee for attending board / committee meetings	NIL			NIL
	b. Commission	NIL			NIL
	c. Others, please specify	NIL			NIL
	Total (2)	NIL			NIL
	Total (B)=(1+2)	NIL			NIL
	Total Managerial Remuneration	NIL			NIL
	Overall Ceiling as per the Act				

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Raina D'Silva Company Secretary	Sanjay Tibtrewala (CFO)	Total Amount (Rs.)
1.	Gross salary		3,48,000	As in A above	3,48,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total		3,48,000		35,88,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year, no penalties were levied against the Corporation, its directors or any of its officers under the Companies Act, 2013 nor was there any punishment or compounding of offences against the Corporation, its directors or any of its officers.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Fineotex Chemical Limited

We have examined the compliance of conditions of Corporate Governance by Fineotex Chemical Limited (“the Company”) for the year ended on 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December 2015 to 31st March 2016.

The Compliance of conditions of Corporate Governance is the responsibility of management. Our examination has been limited to procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

We further 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.

For UKG & Associates
Chartered Accountants
Firm Registration No.:123393W

Place : Mumbai
Date : 25th May,2016

Champak K Dedhia
Partner
Membership No. 101769

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF FINEOTEX CHEMICAL LIMITED
REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of Fineotex Chemical Limited ('the Company'), which comprise the balance sheet as at 31st March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE
STANDALONE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and its profit and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY
REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
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 balance sheet, the statement of profit and loss and the cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

For UKG & Associates
Chartered Accountants
Firm Regn No : 123393W

Champak K. Dedhia
Partner
Membership No: 101769

Place: Mumbai
Date: 25th May, 2016

ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2016, we report that:

- (i) (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 fixed assets are verified in a phased manner over a period of three years.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. On the basis of our examination of records of inventory, in our opinion, the Company is maintaining proper records of inventory and the discrepancies noted on physical verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence clause (iii) of paragraph 3 of the said order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to investments made. During the year under consideration the company has not given loans under the provisions of Section 185 and Section 186 of the Act.
- (v) The Company has not accepted any deposits from the public. Hence clause (v) of paragraph 3 of the said order is not applicable.
- (vi) The Company has prepared and maintained accounts and records for maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Accordingly no statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	2,14,820/-	A.Y. 2012-13	CIT(A) – 20

- (viii) The Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For UKG & Associates
Chartered Accountants
Firm Regn No : 123393W

Champak K. Dedhia
Partner
Membership No: 101769

Place: Mumbai
Date: 25th May, 2016

ANNEXURE - B TO THE AUDITORS' REPORT**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 over financial reporting of Fineotex Chemical Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone 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 over financial reporting 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 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over

financial reporting 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 authorisations 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For UKG & Associates
Chartered Accountants
Firm Regn No : 123393W

Champak K. Dedhia
Partner
Membership No: 101769

Place: Mumbai
Date: 25th May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

(In Rs.)

Particulars	Note No.	As At March 31, 2016	As At March 31, 2015
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
Share Capital	3	224,596,220	224,596,220
Reserves and Surplus	4	612,307,931	482,723,011
		836,904,151	707,319,231
2. NON-CURRENT LIABILITIES		-	-
3. CURRENT LIABILITIES			
Short Term Borrowings	5	30,447,974	10,149,522
Trade Payables			
Dues to Micro and Small Enterprises	6	-	-
Dues to Others	7	97,745,707	95,643,603
Other Current Liabilities	8	3,430,838	11,640,262
Short Term Provisions	9	1,273,911	23,314,683
		132,898,430	140,748,069
Total		969,802,581	848,067,300
II. ASSETS			
1. NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	10	120,531,566	105,209,310
Capital Work In Progress		-	262,555
Non-Current Investments	11	483,730,547	385,217,317
Deferred Tax Assets (Net)	12	5,005,786	4,849,881
Long Term Loans and Advances	13	68,898,234	88,136,802
		678,166,133	583,675,865
2. CURRENT ASSETS			
Inventories	14	57,292,306	47,480,993
Trade Receivables	15	191,631,142	168,460,244
Cash and Cash Equivalents	16	27,923,206	27,097,525
Short Term Loans and Advances	17	13,519,899	12,121,341
Other Current Assets	18	1,269,895	9,231,331
		291,636,448	264,391,435
Total		969,802,581	848,067,300
Significant Accounting Policies	2		
See accompanying notes to the financial statements	1 to 41		

As per our Report of even date

For on behalf of Board of Directors

For UKG & Associates

Chartered Accountants

(Firm Registration No : 123393W)

Champak K. Dedhia

Partner

Membership No.: 101769

Mumbai, 25th May, 2016

Surendrakumar Tibrewala

Chairman & Managing Director

DIN : 00218394

Sanjay Tibrewala

Executive Director & CFO

DIN : 00218525

Mumbai, 25th May, 2016

Alok Dhanuka

Chairman - Audit Committee

DIN : 06491610

Raina D'Silva

Company Secretary

M No.: ACS 36901

FINEOTEX CHEMICAL LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(In Rs.)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
INCOME			
- Revenue from Operations	19	680,630,102	649,921,191
- Other Income	20	45,439,639	48,144,111
Total		726,069,741	698,065,302
EXPENSES			
- Cost of Materials Consumed	21	392,461,192	429,381,533
- Changes in Inventories of Work-in-Progress	22	(1,844,152)	5,135,643
- Employee Benefit Expenses	23	24,425,207	21,753,715
- Finance Costs	24	2,656,509	2,241,926
- Other Expenses	25	83,294,759	81,035,686
- Depreciation	10	5,182,448	4,410,243
Total		506,175,963	543,958,746
Profit Before Tax and Exceptional Items		219,893,778	154,106,556
Exceptional Items		-	-
Profit Before Tax		219,893,778	154,106,556
Less: Tax Expenses			
- Current Tax		68,745,000	42,500,000
- Deferred Tax		(155,907)	(401,909)
- Short / (Excess) Tax Provision for Earlier Years		-	-
Profit after Tax		151,304,685	112,008,465
Earning per Equity Share (Face value Rs. 2 each)			
Basic and Diluted		1.35	1.00
Significant Accounting Policies			
Notes on Financial Statements	1 to 41		

As per our Report of even date

For UKG & Associates
Chartered Accountants
(Firm Registration No : 123393W)

Champak K. Dedhia
Partner
Membership No.: 101769

Mumbai, 25th May, 2016

For on behalf of Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Mumbai, 25th May, 2016

Alok Dhanuka
Chairman - Audit Committee
DIN : 06491610

Raina D'Silva
Company Secretary
M No.: ACS 36901

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 20156

Particulars	(In Rs.)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<u>A. Cash flow from Operating Activities</u>		
Net Profit before tax as per Statement of Profit and Loss	219,893,778	154,106,557
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation/amortization on continuing operations	5,182,448	4,410,243
Loss on sale of fixed assets	-	137,559
Net gain on sale of Investments	(10,374,574)	(37,588,241)
Exchange Difference amortised	739,856	7,016,117
Provision for diminution in value of investments	(31,622)	(79,936)
	<u>215,409,886</u>	<u>128,002,298</u>
Non-operating adjustments to derive net cash flow from operating activities :		
Interest expense	35,414	1,052,338
Interest income	(1,093,189)	(4,521,468)
Dividend income	(27,506,522)	(5,842,627)
Operating profit before working capital changes	<u>186,845,589</u>	<u>118,690,541</u>
Movements in Working Capital :		
Increase/(Decrease) in Trade Payables	2,102,106	(14,825,932)
Increase/(Decrease) in Short Term Provisions	336,576	24,276
Increase/(Decrease) in Other Current Liabilities	(584,924)	(950,463)
(Increase)/Decrease in Trade Receivables	(23,170,898)	2,665,628
(Increase)/Decrease in Trade Inventories	(9,811,313)	11,792,159
(Increase)/Decrease in Long Term Loans and Advances	13,988,568	(12,219,778)
(Increase)/Decrease in Short Term Loans and Advances	(1,438,957)	6,581,360
(Increase)/Decrease in Other Current Assets	2,328,264	3,583,117
Cash generated from operations	<u>170,595,010</u>	<u>115,340,909</u>
Direct taxes paid (Net of Refunds)	(78,753,193)	(33,393,940)
Net Cash Flow generated from Operating Activities (A)	<u>91,841,817</u>	<u>81,946,969</u>
<u>B. Cash flows from Investing Activities</u>		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(14,992,150)	(47,685,233)
Proceeds on sale of Fixed Assets	-	50,000
Investments in subsidiary	(1,719,332)	(938,862)
Investments in securities	(197,965,384)	(264,052,949)
Proceeds from sale/maturity of securities	111,577,682	166,796,698
Interest received	1,093,189	4,521,468
Dividend received	33,139,694	6,219,435
Loans & Advances (given) / Recd Back		
- Subsidiary Companies	(100,000)	5,300,000
- Others	140,400	19,359,600
Fixed Deposits with Bank Withdrawn / (Placed)	7,796,154	59,356,327
Net Cash Flow from/(used in) Investing Activities (B)	<u>(61,029,746)</u>	<u>(51,073,516)</u>

FINEOTEX CHEMICAL LIMITED

Particulars	(In Rs.)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
C. Cash flows from Financing Activities		
Proceeds / (Repayment) from Long term borrowings	(7,624,500)	(29,289,037)
Proceeds / (Repayment) from Short term borrowings	20,298,453	10,149,522
Interest paid	(35,414)	(1,052,338)
Dividends paid	(33,689,433)	(5,614,906)
Dividend distribution tax	(1,139,344)	-
Net Cash Flow from/(used in) Financing Activities (C)	(22,190,238)	(25,806,759)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	8,621,833	5,066,694
Cash and cash equivalents at the beginning of the year	10,179,450	5,112,756
Cash and cash equivalents at the end of the year	18,801,283	10,179,450
Components of cash and cash equivalents		
Cash on hand	2,369,731	2,090,336
With Banks-		
in Current Accounts	16,395,129	8,065,246
in Earmarked Accounts	36,423	23,868
Total Cash and cash equivalents	18,801,283	10,179,450

Notes:

- i. Refer Significant Accounting Policies - 2P
- ii. Figures in brackets represent outflows of cash and cash equivalents

As per our Report of even date

For UKG & Associates
Chartered Accountants
 (Firm Registration No : 123393W)

Champak K. Dedhia
 Partner
 Membership No.: 101769

Mumbai, 25th May, 2016

For on behalf of Board of Directors

Surendrakumar Tibrewala Chairman & Managing Director DIN : 00218394	Alok Dhanuka Chairman - Audit Committee DIN : 06491610
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Sanjay Tibrewala Executive Director & CFO DIN : 00218525	Raina D'Silva Company Secretary M No.: ACS 36901
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Mumbai, 25th May, 2016

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1 CORPORATE INFORMATION

Fineotex Chemical Limited (The Company) is a public limited Company domiciled in India and incorporated under the Companies Act, 1956 with a Company Identification Number of L24100MH2004PLC144295. The Company was incorporated in 2004 and is listed on Bombay Stock Exchange Ltd and the National Stock Exchange of India Ltd. The Company is engaged in the business of manufacturing and trading of Chemicals. The Company is one of the leading manufacturers of chemicals for textiles, construction, water-treatment, fertilizer, leather and paint industry.

2 SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements:

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

B. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP required judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates and assumptions used in the preparation of the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the Financial Statements, which may differ from the actual results at a subsequent date. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

C. Basis of Accounting:

The financial statements are prepared:

- i. On the historical cost convention.
- ii. On a going concern basis.
- iv. On mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- v. In accordance with the relevant presentation requirements of Schedule III of the Companies Act, 2013 to the extent applicable.

D. Fixed Assets:

i. Tangible Assets

Fixed Assets are stated at their original cost of acquisition including incidental expenses related to acquisition and installation of the concerned assets. Fixed Assets are shown net of accumulated depreciation and amortization. Historical cost comprises of the acquisition price or construction price and all direct and indirect costs attributable to bring the asset to the working condition for intended use, but excluding any Cenvat/Service Tax / Value Added Tax credit available. Borrowing cost directly attributable to acquisition / construction of fixed asset which necessarily takes a substantial period of time to get ready for their intended use are capitalised.

Capital Work in Progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

ii. Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortization. Amortization is done on Straight Line Method.

E. Depreciation:

- i. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Accordingly, the unamortized carrying value is being depreciated / amortized over the revised / remaining useful lives. Lower useful lives considered are as under:

Particulars	Useful Life (Years)
Leasehold Improvements	20

- ii. Depreciation on additions to assets during the year is being provided on pro-rata basis from the date of acquisition/ installation.
- iii. Depreciation on assets sold, discarded or demolished during the year, is being provided at their respective rates on pro-rata basis upto the date on which such assets are sold, discarded or demolished.
- iv. For assets costing Rs.5000/- or less, depreciation is fully provided.

F. Inventories:

- i. Cost of Inventories have been computed to include all cost of Purchases, Cost of Conversion and other costs incurred in bringing the inventories to their present location and condition.
- ii. Raw materials are valued at cost. The costs are ascertained using the FIFO method, except in case of slow moving and obsolete materials, at lower of cost or estimated realizable value. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- iii. Work-in-progress and finished goods are valued at the lower of cost or estimated realizable value. Cost represents prime cost, and includes appropriate portion of overheads.
- iv. Scrap is valued at estimated realizable value.

G. Foreign Currency Transactions:

- i. Transactions in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year end are restated at the year end rates.
- iii. Exchange difference arising on reporting of long term foreign currency monetary items (other than related to acquisition of depreciable Fixed Assets) at rates different from those at which they were initially recorded during the period or reported in previous financial statement which were until now being recognized in the statement of Profit and Loss are now being accumulated in "Foreign Currency Monetary Item Translation Reserve Account" and amortized in the statement of Profit and Loss over the remaining life of the long term foreign currency monetary items.
- iv. Non Monetary items denominated in foreign currencies are carried at cost.

H. Research and Development:

- i. Capital Expenditure, if any is shown separately in Fixed Assets.
- ii. Research and development cost (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

I. Investments:

- i. Investments are stated at their cost of acquisition. Long term investments are carried at cost. In case there is any diminution of permanent nature in value of Investments, the same is provided for.
- ii. Current Investments are valued at cost of acquisition, less provision for diminution, as necessary, if any.
- iii. Unquoted current investments are stated at the lower of cost and fair value where available.

J. Revenue Recognition:

- i. The Company recognizes revenues on the sale of products when the products are delivered to the customer or when delivered to the carrier for exports sales, which is when risks and rewards of ownership pass to the customer. Sales are net of taxes on sales and sales returns.
- ii. Other income is accounted for on accrual basis when it is reasonably certain that the ultimate collection will be made.
- iii. Interest is accrued over the period of loan/ investment.
- iv. Dividend on shares and mutual funds is accounted as and when the right to receive is established.

K. Leases:

- i. Lease under which the lessee assumes substantially all the risks and rewards of ownership are classified as finance leases.
- ii. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Lease payments under operating lease are recognised as an expense on a straight line basis in the Statement of Profit & Loss over the lease term.

L. Impairment of Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

M. Borrowing Costs:

- i. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets till such time as the assets are ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
- ii All other borrowing costs are recognized as an expense in the period in which they are incurred.

N. Taxation:

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the applicable tax rates and tax laws. Deferred Tax resulting from timing difference between Book Profits and Tax Profits is accounted for at the applicable rate of tax to the extent the timing differences are expected to crystallize, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which Deferred Tax Assets can be realized.

O. Employment Retirement Benefits:

- i. Benefits in the form of Provident Fund whether in pursuance of law or otherwise which are defined contributions is accounted on accrual basis and charged to Statement of Profit and Loss of the year.
- ii. Long term employee benefits under defined benefit scheme such as contribution to gratuity are determined at the close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gains and losses are recognized in the year when they arise.
- iii. Termination benefits such as compensation under voluntary retirement scheme are recognized as a liability in the year of termination.

P. Cash Flow Statements:

The Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March 2016 and the related Statement of Profit and Loss for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the ICAI.

Q. Provisions, Contingent Liabilities and Contingent Assets:

Necessary provisions are made for present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources. Such provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

R. Earnings per share:

- i Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- ii For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- iii. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issue, including for changes effected prior to the approval of the financial statements by the Board of directors.

S. Operating Cycle for current and non-current classification:

Operating cycle for the business activities of the Company covers the duration of product line/ service including the defect liability period, wherever applicable and extends up to the realization of receivables within the agreed credit period normally applicable to the respective lines of business.

FINEOTEX CHEMICAL LIMITED

3 - Share Capital

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Authorised		
115,000,000 (23,000,000) Equity shares of Rs. 2/- (Rs. 10/-) each	230,000,000	230,000,000
	230,000,000	230,000,000
Issued, Subscribed and Paid-up		
112,298,110 (22,459,622) Equity Shares of Rs. 2/- (Rs. 10/-) each fully paid up	224,596,220	224,596,220
Total	224,596,220	224,596,220

i. Shareholders holding more than 5 % of Equity Shares

Name of the Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares (Rs. 2/- each)	% held	No. of Shares (Rs. 10/- each)	% held
Mr. Surendra Tibrewala	69,155,830	61.58%	13,831,166	61.58%
Mr. Amitabh Harivansh Rai Bachchan	5,219,708	4.65%	1,223,414	5.45%

ii. Reconciliation of the number of Equity Shares Outstanding

Particulars			March 31, 2016 No. of Shares	March 31, 2015 No. of Shares
Number of shares at the beginning of the year			22,459,622	11,229,811
Add: Bonus Shares issued		(Refer Note iv)	-	11,229,811
Add : Additions on account of sub division of shares		(Refer Note iii)	89,838,488	-
Number of shares at the end of year			112,298,110	22,459,622

- iii. 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 (Record date). Accordingly, the current year notes have been stated to this effect.
- iv. The Company had allotted 1,12,29,811 fully paid-up equity shares of face value Rs. 10/- each during the year ended 31st March, 2015 pursuant to the bonus issue approved by the shareholders through postal ballot by capitalisation of Securities Premium. Bonus equity shares were issued in proportion of 1:1 i.e. 1 (one) equity share of Rs. 10/- each fully paid up for every one share held.
- v. The Company has only one type of equity share. Each equity share is entitled to one voting right only.
- vi. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution would be in proportion of the number of Equity shares held by the Equity Shareholders.

4 - Reserves and Surplus

(In Rs.)

Particulars			March 31, 2016	March 31, 2015
Capital Reserve			1,085,354	1,085,354
Securities Premium Account				
Balance at the beginning of the year			122,020,880	234,318,990
Less : Amount utilised for issuance of Bonus shares		(Refer Note 3(iii))	-	112,298,110
Balance at the end of the year			122,020,880	122,020,880
Foreign Currency Monetary Item Translation Reserve				
Balance at the beginning of the year			(739,856)	(7,452,532)
Add : Additions during the year			-	(303,441)
Less : Amortised during the year		(Refer Note 4(i))	739,856	7,016,117
Balance at the end of the year			-	(739,856)
Profit and Loss Account				
Balance at the beginning of the year			360,356,634	260,872,910
Less : Additional Depreciation (net of tax) pursuant to enactment of Schedule II of the Companies Act, 2013		(Refer Note 4(ii))	-	155,586
Add : Profit for the year			151,304,685	112,008,465
Less : Appropriations				
Proposed Dividend on Equity Shares			22,459,622	11,229,811
Tax on Dividend			-	1,139,344
Balance at the end of the year			489,201,697	360,356,634
Total			612,307,931	482,723,012

Note:

- i. The Company has exercised the option under paragraph 46A(1) of Accounting Standard - 11 (Revised 2003) 'The Effect of Changes in Foreign Exchange rates' as notified by Ministry of Company Affairs vide notification dated 29th December, 2011. Consequently the foreign exchange loss arising on reporting/settlement of long term foreign currency monetary items (other than relating to acquisition of depreciable fixed assets) amounting to Rs. NIL (Rs. 3,03,441/-) for the year ended 31st March 2016 has been accumulated in "Foreign Currency Monetary Translation Difference Account", whereby the cumulative balance stands at Rs. NIL (Rs. 7,39,856/-). During the year an amount of Rs. 7,39,856/- (Rs 70,16,117/-) has been amortized.
- ii. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly, the written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs. 1,55,586/-

5 - Short Term Borrowings

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Secured Borrowings		
- Bank Overdraft	30,447,974	10,149,522
Total	30,447,974	10,149,522

Note:

Bank Overdraft is secured against Fixed deposits and pledge/lien on securities held by the Company.

6 - Trade Payables - Dues to Micro and Small Enterprises

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
i. Principal and interest amount remaining unpaid	-	-
ii. Interest due thereon remaining unpaid	-	-
iii. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
iv. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
v. Interest accrued and remaining unpaid	-	-
vi. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
Total	-	-

Note:

The above details are based on the intimation received from vendors and as confirmed by the management

7 - Trade Payables - Dues to Others

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Creditors other than Micro and Small Enterprises	97,745,707	95,643,603
Total	97,745,707	95,643,603

FINEOTEX CHEMICAL LIMITED

8 - Other Current Liabilities

(in Rs.)

Particulars		March 31, 2016	March 31, 2015
Current maturities of Long Term Debt (Secured)	Refer note 8(i)	-	7,624,500
Interest accrued but not due on Borrowings		-	60,652
Advance from customers		93,449	727,455
Trade deposits		1,684,695	1,316,027
Interest payable on Trade deposits		485,068	357,870
Other			
Unclaimed dividend		36,423	23,867
Statutory dues		1,131,203	1,529,891
Total		3,430,838	11,640,262

Note:

- i. Current Maturities of Long Term Debt in respect of the previous year represents last installment of term loan from EXIM Bank carrying an interest rate of six months LIBOR plus 4.50% p.a. which has been repaid in the current year.

9 - Short Term Provisions

(in Rs.)

Particulars		March 31, 2016	March 31, 2015
Provision for Employee Benefits			
Provision for Leave Encashment		226,875	177,518
Provision for Gratuity	Refer Note 23(ii.)	155,977	-
Provision for Bonus		378,270	247,028
Others			
Provision for Income tax (net of Advance Tax)		512,789	10,520,982
Proposed dividend		-	11,229,811
Provision for dividend tax		-	1,139,344
Total		1,273,911	23,314,683

FINEOTEX CHEMICAL LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

10 - Fixed Assets

CURRENT YEAR:

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As on 01st April 2015	Additions during the year	Deletion / Adjustment	As on 31st March 2016	As on 01st April 2015	For the year	Deletion / Adjustment	As on 31st March 2016	As on 31st March 2016	As on 31st March 2015
1	Freehold Land	29,621,683	-	-	29,621,683	-	-	-	-	29,621,683	29,621,683
2	Leasehold Land	25,174,800	-	-	25,174,800	-	-	-	-	25,174,800	25,174,800
3	Factory Building	5,478,278	16,459,193	-	21,937,471	992,803	643,172	-	1,635,975	20,301,496	4,485,475
4	Leasehold Improvements	4,376,699	-	-	4,376,699	625,856	268,180	-	894,036	3,482,663	3,750,843
5	Office Premises	14,714,140	1,363,642	-	16,077,782	261,535	783,620	-	1,045,155	15,032,627	14,452,605
6	Plant and Machinery	26,914,196	1,306,273	-	28,220,469	5,916,259	1,654,364	-	7,570,623	20,649,846	20,997,937
7	Electric Fittings	1,236,318	422,825	-	1,659,143	477,395	405,534	-	882,929	776,214	758,923
8	Furniture and Fixtures	1,516,499	588,148	-	2,104,647	707,395	247,090	-	954,485	1,150,162	809,104
9	Computers	1,516,966	179,122	-	1,696,088	1,328,800	274,724	-	1,603,524	92,564	188,166
10	Vehicles	7,526,250	-	-	7,526,250	2,950,648	710,896	-	3,661,544	3,864,706	4,575,602
11	Office Equipments	850,378	185,502	-	1,035,880	456,206	194,868	-	651,074	384,806	394,172
	Total	118,926,207	20,504,705	-	139,430,912	13,716,897	5,182,448	-	18,899,345	120,531,567	105,209,310
	Previous Year	76,982,729	42,172,678	229,200	118,926,207	9,112,594	4,410,243	(194,060)	13,716,897	105,209,310	67,870,135

PREVIOUS YEAR:

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As on 01st April 2014	Additions during the year	Deletion / Adjustment	As on 31st March 2015	As on 01st April 2014	For the year	Deletion / Adjustment	As on 31st March 2015	As on 31st March 2015	As on 31st March 2014
1	Freehold Land	19,812,341	9,809,342	-	29,621,683	-	-	-	-	29,621,683	19,812,341
2	Leasehold Land	10,200,000	14,974,800	-	25,174,800	-	-	-	-	25,174,800	10,200,000
3	Building	5,961,278	14,231,140	-	20,192,418	911,775	342,562	-	1,254,338	18,938,081	5,049,503
4	Leasehold improvements	4,376,699	-	-	4,376,699	357,677	268,180	-	625,857	3,750,842	4,019,022
5	Plant and Machinery	26,235,492	907,904	229,200	26,914,196	4,355,804	1,602,095	41,641	5,916,259	20,997,937	21,879,688
6	Electric Installation	1,236,318	-	-	1,236,318	291,878	185,518	-	477,395	758,922	944,440
7	Furniture and Fixtures	1,516,499	-	-	1,516,499	493,371	214,024	-	707,395	809,104	1,023,127
8	Computers	1,448,005	68,961	-	1,516,966	798,658	452,097	(78,045)	1,328,800	188,165	649,346
9	Vehicles	5,491,046	2,035,204	-	7,526,250	1,793,602	1,157,045	-	2,950,647	4,575,603	3,697,444
10	Office Equipments	705,051	145,327	-	850,378	109,828	188,721	(157,656)	456,205	394,173	595,223
	Total	76,982,729	42,172,678	229,200	118,926,207	9,112,594	4,410,243	(194,060)	13,716,897	105,209,310	67,870,135
	Previous Year	70,686,040	6,796,689	500,000	76,982,730	7,189,738	2,069,261	146,404	9,112,595	67,870,135	63,496,303
	Capital WIP									262,555	-

Notes

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs. 1,55,586/-

i.

FINEOTEX CHEMICAL LIMITED

11 - Non Current Investments

(in Rs.)

	Particulars	March 31, 2016	March 31, 2015
A	Long Term Investment - at cost		
	Trade Investments (Unquoted)		
	<u>In Equity Shares of Subsidiary Companies</u>		
i.	1890218 (1890218) Shares Fineotex Malaysia Limited of US \$ 1 each fully paid	83,868,940	83,868,940
ii.	10000 (10000) Shares FCL Landmarc Private Limited of Rs. 10/- each fully paid	100,000	100,000
iii.	10000 (10000) Shares Manya Steel Private Limited. of Rs.10/- each fully paid	7,294,311	7,294,311
iv.	Fineotex Specialities FZE	2,658,194	938,862
B	Non - Trade Investments		
i.	Investment in Equity Instruments (Quoted)	74,739,391	41,800,431
ii.	Investment in Mutual Funds	277,213,111	213,358,174
C	Other Investments		
i.	Property Investment	37,856,600	37,856,600
	Total	483,730,547	385,217,317

BI - Investment in Equity Instruments (Quoted)

Particulars	Face Value	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015						
		Numbers	Numbers	Rupees	Rupees						
Sun Pharmaceuticals Industries Ltd	1	8100	3100	6,941,651	2,569,766	Jamna Auto Industries Ltd	10	8000	0	1,081,760	-
Vinati Organics Ltd	10	5282	4532	2,296,359	1,815,879	Kotak Mahindra Bank Ltd	10	1450	600	2,003,896	214,060
Ajanta Pharma Ltd	10	1250	1250	588,088	588,088	Kopran Ltd	10	0	3500	-	781,380
Allied Digital Services Ltd	5	9250	0	502,738	-	Larsen & Toubro Ltd.	2	700	300	1,070,493	524,349
Amtek Auto Ltd	2	40000	0	1,994,500	-	Lupin Ltd	2	350	350	503,279	503,279
Arow Coat	10	650	0	504,257	-	MRF Ltd	10	12	0	499,759	-
Asian Paints Ltd	1	4500	3400	3,171,894	2,206,858	Multi Commodity Exchange of India Ltd	10	1300	300	1,270,283	268,323
ACC Limited	10	820	500	1,242,228	745,860	Nitin Fire Protection Industries Ltd	2	11500	0	503,585	-
Aurobindo Pharma Ltd	1	1100	0	1,477,113	-	Oil & Natural Gas Corporation Ltd	2	2600	2600	1,069,360	1,069,360
Bajaj Auto Ltd	10	675	675	1,608,095	1,608,095	P.I. Industries Ltd.	2	1000	1000	433,240	242,415
Bengal Assam Company Ltd	10	0	500	-	257,705	Pidilite Industries Ltd	1	500	500	710,887	433,240
Balkrishna Industries Ltd	2	630	0	482,448	-	P & G Hygiene Healthcare Ltd.	10	0	50	-	305,305
Berger Paints India Ltd	1	0	4800	-	947,690	Ranbaxy Laboratories Ltd	5	0	2500	-	1,507,075
Century Textile Industries Ltd	10	800	0	514,496	-	Sintex Industries Ltd	1	8500	4500	976,850	485,370
Cipla Ltd	5	2250	1550	1,500,850	1,008,260	Shalibhadra Finance Ltd	10	82000	100000	2,693,096	3,303,000
City Union Bank Ltd	1	2000	2000	185,380	185,380	Shivam Autotech Ltd	2	2000	2500	155,360	194,200
Divi's Laboratories Ltd	1	300	300	517,698	517,698	Siyaram Silk Mills Ltd	10	474	0	449,282	-
Eicher Motors Ltd	10	30	0	478,678	-	Sunpharma Advanced Research Company Ltd	1	3000	0	1,192,140	-
Engineers India Ltd	5	750	750	-	173,760	Suzlon Energy Ltd	2	77500	0	1,443,875	-
Force Motors Ltd	10	780	650	1,233,702	853,128	Swaraj Engine Ltd.	10	500	0	479,425	-
Fortune Financial Services (India) Ltd	10	11890	0	2,572,808	-	Tata Jewels Ltd	10	1000	0	613,200	-
Godrej Industries Ltd	1	0	650	-	196,840	Tata Steel Ltd	10	600	600	285,522	285,522
HDFC Bank Ltd	2	2550	2550	2,226,435	2,226,435	Tata Motors Ltd	1	2985	1400	1,015,268	500,038
Hero Motocorp Ltd	10	525	525	1,438,261	1,438,261	Tata Consultancy Services Ltd	1	0	910	-	2,272,661
Hindalco Industries Ltd	1	2000	2000	306,280	306,280	Torrent Pharmaceuticals Ltd	10	3450	1600	3,890,302	1,490,635
HDFC Ltd	2	1990	1990	2,205,802	2,205,802	TVS Motor Company Ltd	1	2200	0	497,387	-
ICICI Bank Ltd	1	4650	1650	1,559,244	596,904	United Phosphorus Ltd.	2	1000	1000	348,500	348,500
ILFS Transportation Networks Ltd	10	5000	0	467,950	-	United Spirits Ltd	10	150	0	458,433	-
Infbeam Incorporation Ltd	10	500	0	212,550	-	Upserge Investment Finance Ltd	10	150000	0	4,090,900	-
Infosys Limited	10	400	200	412,512	412,512	Urja Global Ltd.	1	96591	96591	4,737,789	4,737,789
ITC Limited	1	2100	4100	754,326	1,472,731	Vardhmana Acrylics Ltd	1	32000	0	1,820,400	-
						Vidhi Dyestuffs Manufacturing Ltd	1	18000	0	1,310,880	-
						Virtual Global Education Ltd	1	160000	0	1,737,900	-
										74,739,391	41,800,431

Bii - Investment in Mutual Funds

	Face Value	March 31, 2016 Numbers	March 31, 2015 Numbers	March 31, 2016 Rupees	March 31, 2015 Rupees						
Equity Based Mutual Funds						Sundaram S.M.I.L.E. Fund Growth	10	63970.096	34829.468	4,500,000	2,500,000
Birla Sunlife Dividend Yield Plus Growth Fund	10	13605.525	23108.740	1,284,644	2,181,944	Sundaram Select Midcap Fund Growth	10	56003.915	17379.192	18,605,884	5,410,000
Birla Sun Life MNC Fund Growth	10	31244.464	-	18,000,000	-	Debt Based Mutual Funds					
DSP Blackrock Balanced Fund Regular	10	-	116749.464	-	11,514,299	BNP Paribas Bond Fund - Growth	10	389285.359	-	5,000,000	5,000,000
DSP Blackrock Equity Fund Growth	10	394651.069	394651.069	10,000,000	10,000,000	BNP Paribas Flexi Debt Fund - Growth	10	543193.088	543193.088	10,794,116	10,794,116
Franklin India Prima Fund Growth	10	31415.063	18405.715	20,010,000	11,410,000	DSP BR Bond Fund - Retail Plan (Growth)	10	222262.809	443635.997	8,266,543	16,500,000
Franklin Templeton MF High Value	10	99912.327	-	4,000,000	-	DSP BR Income Opportunities Fund Growth	10	362875.603	370617.221	7,478,318	7,636,251
HDFC Equity Growth Fund	10	28194.63	18612.345	12,125,583	7,394,883	HDFC Corporate Debt Opp. Fund Growth	10	775370.531	775370.531	8,000,000	8,000,000
HDFC Midcap Opportunities Fund Growth	10	947973.2	798791.200	34,583,567	27,176,162	HSBC Flexi Debt Fund - Growth	10	123223.270	123223.270	2,000,000	2,000,000
ICICI Pru. Balanced Fund Reg. Growth	10	-	99741.608	-	8,058,124	HSBC Flexi Debt Fund - Regular Growth	10	-	373243.21	-	5,500,000
ICICI Pru. Mid Cap Fund	10	100361.905	-	7,139,746	-	ICICI Prudential Regular Savings Fund Growth	10	892485.864	892485.864	11,119,372	11,119,372
ICICI Pru. Value Discovery Fund	10	25503.474	-	2,900,000	-	Kotak Income Opportunities Fund - Growth	10	505451.4500	505451.4500	6,494,445	6,494,445
Motilal Oswal Most Focused Mid Cap 30 Fund Growth	10	122869.444	-	2,500,000	-	Kotak Credit Opportunity Fund - Growth	10	542370.886	542370.886	7,500,000	7,500,000
Reliance Mid & Small Cap Fund Growth	10	368495.344	-	9,185,951	-	Reliance Regular Saving Fund Debt Plan Growth	10	531390.200	667027.545	8,788,918	10,869,309
SBI Bluechip Fund Growth	10	192647.265	-	5,000,000	-	SBI Regular Saving Fund Regular Growth	10	90985.262	90985.262	1,770,000	1,770,000
SBI Magnum Global Fund	10	74971.923	-	10,000,000	-	UTI Bond Regular Fund Growth	10	109128.400	288055.970	3,702,106	9,772,102
SBI Pharma Fund Growth	10	16581.163	-	2,500,000	-	UTI Credit Oppotunity Fund Growth	10	936178.210	936178.210	9,915,000	9,915,000
Sundaram Select Focus Regular Plan Growth	10	107362.503	107362.503	12,750,000	12,750,000					277,213,111	213,389,796
Sundaram Select Midcap Appreciation Fund	10	36480.134	12478.042	11,298,918	2,123,790					-	31,622
										277,213,111	213,358,174

Notes:

SN	Particulars	March 31, 2016	March 31, 2015
i.	Aggregate provision for diminution in value of Current Investments	-	31,622
ii.	Aggregate cost of quoted investments	74,739,391	41,800,431
iii.	Aggregate market value of quoted investments	66,952,082	42,986,017
iv.	Aggregate amount of unquoted investments	277,213,111	213,389,796

- v. All the investments have been valued at cost. (Refer Note 2 I of Significant Accounting Policies).
- vi. The Company during the year under consideration has regrouped investments in Mutual Funds as non current investments and accordingly provision for diminution created in the previous year was on account of classification of the said investments as current investments.
- vii. Investments in Mutual funds amounting to Rs. 5,58,59,445/- (Rs. 5,58,59,445/-) are under lien against bank overdraft facility availed by the company.

12 - Deferred Tax Asset (Net)

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Deferred Tax Asset		
Expenditure allowable u/s. 35D	9,876,058	9,699,700
Provision for diminution in value of investments	-	5,130
Expenditure/Provisions allowable on payment basis - 43B Items	209,428	137,744
Sub-Total (A)	10,085,487	9,842,574
Deferred Tax Liability		
Depreciation	5,079,700	4,992,694
Sub-Total (B)	5,079,700	4,992,694
Total (A - B)	5,005,786	4,849,881

FINEOTEX CHEMICAL LIMITED

13 - Long Term Loans and Advances

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Unsecured, Considered good		
Capital Advances	36,960,000	42,210,000
Security Deposits		
- Related parties Refer Note (i and ii) below	28,850,000	32,405,000
- Others	734,934	190,764
Other Loans and Advances		
-Trade Deposits	1,736,207	2,580,199
-Balance with VAT & Excise Authorities	617,093	10,715,106
-Gratuity paid	-	35,733
Total	68,898,234	88,136,802

Notes:

- i. Interest Free deposit towards rented premises paid to relative of director Rs.19,500,000/- (Rs.19,500,000/-)
- ii. Deposit given to Subsidiary (including group companies) Rs.93,50,000/- (Rs.1,29,00,000/-).

14 - Inventories

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Raw materials	39,058,779	30,535,063
Work in progress	15,408,252	13,564,100
Packaging materials	2,825,275	3,381,830
Total	57,292,306	47,480,993

Note:

Inventories are valued at lower of cost or net realizable value . (Refer Note 2F of Significant Accounting Policies).

15 - Trade Receivables

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Unsecured, Considered good		
- Outstanding for a period exceeding six months	1,059,473	1,477,349
- Others	190,571,669	166,982,896
Total	191,631,142	168,460,244

Note:

Out of above Rs.10,37,000/- (Rs.5,66,200/-) is due from a subsidiary.

16 - Cash and Cash Equivalents

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Cash and Cash Equivalents		
Balance with bank	16,395,129	8,065,246
Cash on hand (As certified by the management)	2,369,731	2,090,335
Other Bank Balances		
Balance Earmarked With banks		
- Unclaimed dividends	36,423	23,867
Fixed Deposits with maturity of less than 3 months	-	8,500,000
Fixed Deposits with maturity of more than 3 months but less than 12 months	9,121,923	8,418,077
Total	27,923,206	27,097,525

Note:

Fixed Deposits amounting to Rs. 91,21,923/- (Rs. 1,69,18,077/-) are under lien with Banks against borrowings and tender deposits.

17 - Short Term Loans and Advances

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Unsecured, Considered good		
Security deposits - Others	50,000	50,000
Other Loans and Advances		
- Balance with VAT and Excise Authorities	11,566,699	9,502,133
- Advance to Related Party	100,000	-
- Other loans & Advances	500,000	640,400
- Others	1,303,200	1,928,808
Total	13,519,899	12,121,341

Note:

Others include Advance to Creditors, Prepaid expenses and Loan to employees.

18 - Other Current Assets

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
- Interest accrued but not due	518,580	1,236,590
- Interest accrued and due	-	1,160,000
- Duty Drawback Receivable	751,315	1,201,569
- Dividend receivable from subsidiary	-	5,633,172
Total	1,269,895	9,231,331

19 - Revenue from Operations

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Sale of Products	746,893,043	711,409,177
Less: Excise Duty	68,758,893	63,607,910
	678,134,150	647,801,267
Duty Drawback / DEPB Incentive	2,495,952	2,119,925
Total	680,630,102	649,921,192

20 - Other Income

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Dividend		
Subsidiary	26,433,840	5,633,172
Others	1,072,682	287,020
Gain on sale of non current investments	10,374,574	37,588,315
Interest on deposits with banks and others	2,567,136	4,521,468
Reversal of provision for dimunition of investments	31,622	79,936
Rent Income	520,000	-
Foreign Exchange Gain	4,226,437	-
Miscellaneous Income	213,348	34,200
Total	45,439,639	48,144,111

21 - Cost of Materials including packaging materials consumed

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Raw materials	342,322,360	381,755,726
Packaging materials	50,138,832	47,625,808
Total	392,461,192	429,381,533

22 - Changes in Inventories of Work-in-Progress

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Closing stock	15,408,252	13,564,100
Less: Opening stock	13,564,100	18,699,743
Total	1,844,152	-5,135,643

23 - Employee Benefit Expenses

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Salaries, Wages, Bonus and Leave Encashment	22,965,000	20,374,106
Contribution to Provident and Other Funds	806,141	855,073
Provision of Gratuity	256,713	58,046
Staff Welfare Expenses	397,353	466,490
Total	24,425,207	21,753,715

Disclosures as defined in Accounting Standard 15 "Employee Benefits" are given below:

i. Defined Contribution Plan

Employer's contribution to PF, ESIC and other funds

ii. Defined Benefit Plan

The Company has taken a policy under Group Gratuity Scheme with the Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	March 31, 2016	March 31, 2015
A) Table showing changes in the Present value of Obligation		
Defined Benefit Obligation at the beginning of the year	795,912	668,697
Current Service Cost	106,345	104,030
Interest Cost	63,673	53,496
Actuarial (Gain)/ Loss	162,857	(30,311)
Benefit paid	(256,442)	-
Defined Benefit Obligation at year-end	872,345	795,912
B) Table showing changes in fair value of plan assets		
Fair value of plan assets at beginning of the year	831,645	584,513
Expected return of plan asset	76,162	69,169
Actuarial (Gain)/ Loss	-	-
Employer Contribution	65,002	177,963
Benefit paid	(256,442)	-
Fair Value of plan assets at year end	716,367	831,645
Actual return on plan assets	-	-
C) Table showing fair value of plan assets		
Fair Value of Plan asset at beginning of the year	831,645	584,513
Actual return on plan asset	76,162	69,169
Employer Contribution	65,002	177,963
Benefit Paid	(256,442)	-
Fair Value of Plan asset at the end of the year	716,367	831,645
Funded Asset/ (Liability)	(155,977)	35,733
D) Actuarial Gain/Loss recognized		
Actuarial (Gain)/Loss for the year obligation	(162,857)	30,311
Actuarial (Gain)/Loss for the year plan assets	-	-
Total (Gain)/Loss for the year	(162,857)	(30,311)
Actuarial (Gain)/Loss recognized for the year	(162,857)	(30,311)

E)	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of year	872,345	795,912
	Fair Value of plan assets as at the end of the year	716,367	831,465
	Funded Status	(155,977)	35,733
	Net Asset/(Liability) recognized in balance sheet	(155,977)	35,733
F)	Expenses recognized in statement of profit and loss		
	Current Service Cost	106,345	104,030
	Interest Cost	63,673	53,496
	Expected return of plan asset	(76,162)	(69,169)
	Net Actuarial (Gain)/loss recognised in the year	(162,857)	(30,311)
	Expenses recognised in statement of profit and loss	256,713	58,046
G)	Assumption		
	Discount Rates	8%	8%
	Salary Escalation	5%	5%

24 - Finance Cost

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Interest on Trade deposits	173,054	144,411
Bank charges	765,794	888,619
Bank interest	1,682,247	156,558
<u>Other Borrowing Cost</u>		
- Interest on loan	35,414	1,052,338
Total	2,656,509	2,241,926

25 - Other Expenses

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Labour Charges	23,471,912	22,654,284
Power and Fuel	2,195,043	2,097,900
Rent	2,490,000	1,710,000
<u>Repairs and Maintenance of</u>		
- Buildings	714,291	118,073
- Plant and machinery	962,324	458,610
- Others	905,307	707,610
Insurance	416,342	332,289
Rates and taxes	1,799,600	5,315,753
<u>Payment to auditors</u>		
- As Auditor	300,000	300,000
- For Taxation matters	101,000	93,000
- For Other services	231,250	105,000
Commission	24,771,848	22,059,760
Advertisement	993,980	812,806
Legal and professional fees	1,881,384	852,347
Transport charges	4,595,042	5,205,423
Technical Fees	2,570,000	-
Travelling expenses	3,562,539	4,160,532
Expenditure on CSR activities	2,200,000	500,000
Donation	153,000	146,000
Foreign exchange loss (Net)	-	6,040,895
Loss on sale of Fixed Asset	-	137,559
Miscellaneous expenses	8,979,897	7,227,845
Total	83,294,759	81,035,686

26 Contingent Liabilities and Commitments

- i. Contingent liabilities not provided for in respect of:

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
(a) Guarantees given by bank	1,714,202	1,632,199
(b) Claims against the Company not acknowledged as debts (Income Tax)	214,820	214,820

Future cash outflows in respect of the above matters are determinable only on receipt of judgements/decisions pending at the various forums/authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognized in the financial statements

- ii. Premium amount to be paid to MIDC on account of transfer of leasehold land in the name of the Company, for which amount is not ascertainable.

iii. **Commitments**

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances).	15,985,547	25,590,000

27 Value of Imported & Indigenous Material Consumed

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
<u>Raw Material</u>		
Imported	35,669,860	45,821,154
(Proportion)	9%	11%
Indigenous	359,444,761	372,341,996
(Proportion)	91%	89%
Total	395,114,621	418,163,150

28 Value of Imports on CIF Basis

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Raw Material	35,669,860	45,821,154
Total	35,669,860	45,821,154

29 Expenditure in Foreign Currency

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Interest	35,414	10,135,054
Travelling	1,219,888	2,657,522
Commission	394,282	169,514
Total	1,649,584	12,962,089

30 Earnings in Foreign Currency

(in Rs.)

Particulars	March 31, 2016	March 31, 2015
Sales	128,273,279	125,826,267
Dividend from Subsidiary	26,433,840	5,633,172
Total	154,707,119	131,459,439

31 Earnings per share

Particulars	March 31, 2016	March 31, 2015
Profit available to shareholders (In Rs.)	151,304,685	112,008,465
Weighted average number of shares outstanding during the year	112,298,110	112,298,110
Basic and Diluted Earnings per Share (In Rs.)	1.35	1.00
Face Value per Equity Share (In Rs.)	2	2

EPS for previous year reflected above has been calculated after considering split of shares in the ratio of 5:1 approved through postal ballot declared on 28th May, 2015.

32 Interim Dividend

The Company has paid an interim dividend of Rs. 0.20 per equity share (i.e. 10% of the face value) on 11,22,98,110 equity shares of face value of Rs. 2/- each on 29th March, 2016 vide Board Resolution dated 14th March, 2016.

33 Accounting Standard 17 - Segment Reporting

Particulars	March 31, 2016	March 31, 2015
A. Primary Segment		
The Company is primarily engaged in the business of manufacturing of textile chemicals, auxiliaries and specialty chemicals. These are considered to constitute one single primary segment.		
B. Secondary Segment (Geographical Segment)		
India	549,860,871	521,975,000
Outside India	128,273,279	125,826,267
Sale of Products	678,134,150	647,801,267

In view of the interwoven/intermix nature of business and manufacturing facility, other segmental information is not ascertainable.

34 Related Party Transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are given by way of Annexure 1 and Annexure 2

List of related parties where control exists and related parties with whom transactions have taken place and relationships

SN	Name of the Related Party	Relationship
1	Surendrakumar Tibrewala	Key Management Personnel
2	Sanjay Tibrewala	
3	Kanaklata Surendra Tibrewala	Relatives of Key Management Personnel
4	Sanjay Exports	Enterprise under significant influence of Key Management Personnel or their relatives
5	Proton Biochem Private Limited	Subsidiary
6	FCL Landmarc Private Limited	
7	Manya Steels Private Limited	
8	BT Chemical SDN. BHD.	
9	Fineotex Malaysia Limited	
10	Fineotex Specilaties FZE	

35 Corporate Social Responsibility

The gross amount required to spent by the company during the year is Rs. 29,97,800/- (out of which Rs. 9,46,000/- pertains to previous year) as per the provisions of section 135 of the Companies Act, 2013. However, the Company has spent Rs. 22,00,000/- during the current year.

36 During the year under consideration, the Company has not given any loans to related parties u/s. 186 of the Companies Act, 2013. The Company has made investments in subsidiary which is reflected at Note no. 10

37 The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act could not be furnished.

38 Balance of sundry debtors, creditors and loans and advances are subject to confirmation, reconciliation, if any.

39 In the opinion of board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance sheet.

40 In the opinion of the board, provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

41 Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform with this year's classification.

As per our Report of even date

For **UKG & Associates**

Chartered Accountants

(Firm Registration No : 123393W)

Champak K. Dedhia

Partner

Membership No.: 101769

Mumbai, 25th May, 2016

For on behalf of Board of Directors

Surendrakumar Tibrewala

Chairman & Managing Director

DIN : 00218394

Sanjay Tibrewala

Executive Director & CFO

DIN : 00218525

Mumbai, 25th May, 2016

Alok Dhanuka

Chairman - Audit Committee

DIN : 06491610

Raina D'Silva

Company Secretary

M No.: ACS 36901

FINEOTEX CHEMICAL LIMITED

Annexure 1 - AS 18 - Related Parties Disclosures

SN	Name of Related Party	2015-16		2014-15	
		Amount (In Rs.)	Balance O/S Dr/(Cr)	Amount (In Rs.)	Balance O/S Dr/(Cr)
	<u>Subsidiaries</u>				
1	FCL Landmarc Private Limited				
	Reimbursement of expenses	9,400	-	12,100	5,000
2	Manya Steels Private Limited				
	Rent Expenses	120,000	105,000	-	-
	Reimbursement of expenses	2,100	-		
	Loan Repaid	-	-	5,300,000	-
	Rent Deposit	1,450,000	9,350,000	7,900,000	7,900,000
3	Fineotex Specialities FZE				
	Investments	1,719,332	2,658,194	938,862	938,862
	Reimbursement of expenses	100,000	100,000	-	-
4	Fineotex Malaysia Limited				
	Dividend Income	26,433,840	-	5,633,172	5,633,172
5	BT Chemicals SDN BHD				
	Sale of Goods	2,599,875	1,037,000	4,301,950	566,200
	<u>Key Management Personnel</u>				
6	Surendra Tibrewala				
	Directors Remuneration	3,240,000	(161,035)	3,628,800	(262,800)
	Rent Paid	882,000	(66,150)	882,000	(66,150)
	Loans Taken	-	-	200,000	-
	Loans Repaid	-	-	200,000	-
	Reimbursement of expenses	-	-	17,718	-
7	Sanjay Tibrewala				
	Directors Remuneration	3,240,000	(161,035)	3,628,800	(262,800)
	Deposit Given	100,000	-	100,000	-
	<u>Relatives of Key Management Personnel (KMP)</u>				
8	Kanaklata Tibrewala				
	Rent Paid	828,000	(62,100)	828,000	(62,100)
	Trade Deposits	-	19,500,000	-	19,500,000
	<u>Enterprise under significant influence of KMP or their relatives</u>				
9	Proton Biochem Private Limited				
	Labour Charges	21,701,073	(4,308,712)	20,692,194	(4,082,432)
	Interest on Deposits (Income)	520,000	-	600,000	1,160,000
	Trade Deposits	-	-	-	5,000,000
	Trade Deposits Repaid	5,000,000	-	-	-
10	Sanjay Exports				
	Purchase of DEPB license	-	-	283,748	-

Note :

1. Related parties are identified by the Company and relied upon by Auditors.

ANNEXURE 2

FORM AOC-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

1	Serial No							
2	Name of subsidiary	FCL Landmarc P. Ltd	Manya Steels P Ltd	BT Chemicals SDN. BHD	BT Biotex SDN.BHD	Rovatex SDN BHD	Fineotex Specialities FZE	Fineotex Malaysia Limited
3	Reporting period of the subsidiary	31-Mar-16	31-Mar-16	31-Mar-15	31-Mar-15	31-Mar-15	31.3.16	31-Mar-15
4	Reporting Currency and exchange rate as on the last date of the relevant Financial Year	Rupees	Rupees	Malysian Ringets=17.10	Malysian Ringets=17.10	Malysian Ringets=17.10	US\$=66.18	US\$=66.18
		Audited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
5	Share Capital	100,000	100,000	500,000	100	1,000	41,096	1,890,218
6	Reserves & Surplus	(69,703)	(82,777)	4,255,920	1,486,820	15,263	66,313	156,684
7	Total Assets	35,097	9,407,894	7,624,347	2,550,156	115,924	108,935	2,049,712
8	Total Liabilities	4,800	9,390,670	2,868,427	1,063,236	(31,559)	1,526	2,809
9	Investments	-	-	-	-	-	-	1,792,258
10	Turnover	-	-	22,744,427	9,094,460	116,989	77,911	157,949
11	Profit before Tax	(7,000)	78,120	4,739,974	592,292	(12,283)	59,841	64,084
12	Provision for Taxation	-	-	1,191,160	151,082	(225)	-	902
13	Profit after Tax	(7,000)	66,620	3,548,814	441,209	1,442	59,841	63,182
14	Proposed Dividend	-	-	4,600,000	600,000	-	-	400,000
15	% of shareholding	100	100	60	60	60	100	100

Part "B" : Associates & Joint Ventures Nil

As per our Report attached

For UKG & Associates

Chartered Accountants

Firm Registration No : 123393W

For and on behalf of Board of Director

Champak K Dedhia

Partner

M. No. 101769

Place : Mumbai

Date : 25.05.2016

Raina D'Silva

Company Secretary

M No.: ACS 36901

Sanjay Tibrewala

Executive Director & CFO

Place : Mumbai

Date : 25.05.2016

Surendrakumar Tibrewala

Chairman & Managing Director

Independent Auditors' Report on Consolidated Financial Statements**To the Members of Fineotex Chemical Limited
Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **FINEOTEX CHEMICAL LIMITED** ("the Holding Company") and its subsidiaries (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2016, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date and a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Management and Board of Directors of the Holding Company are responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Management and Board of Directors of 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; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at 31st March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We have not audited the financial statements of seven subsidiaries, whose financial statements have been considered for the purpose of Consolidated Financial Statements, which constitute total assets of Rs. 3490.10 Lakhs as at 31st March, 2016, total revenue of Rs. 5799.96 Lakhs and net cash outflow amounting to Rs. 82.39 Lakhs for the year ended 31st March, 2016 as considered in the consolidated financial statement. The Consolidated Financial Statements contains the financial statements of five subsidiaries incorporated outside India which are unaudited and are as provided to us by the management. The financial statements and other financial information of the two subsidiaries incorporated in India have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiaries, and our report in terms of sub section (3) and (11) of S. 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such financial statements and on the report of such other auditors, as the case may be.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, 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.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure A”; and
 - (g) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 27 to the consolidated financial statements;
 - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

For UKG & Associates
Chartered Accountants
Firm RegnNo : 123393W

Champak K. Dedhia
Partner
Membership No: 101769

Place: Mumbai
Date: 25th May, 2016

ANNEXURE - A TO THE AUDITORS' REPORT

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 over financial reporting of **Fineotex Chemical Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of 31st March 2016, 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 companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls over Financial Reporting 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI 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 issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 the other auditors referred to in the 'Other Matters' paragraph is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies incorporated in India's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorisations 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 Holding Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid report under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiary companies incorporated in India is based on the corresponding reports of the auditors of such companies.

Place: Mumbai
Date: 25th May, 2016

For **UKG & Associates**
Chartered Accountants
Firm RegnNo : 123393W

Champak K. Dedhia
Partner
Membership No: 101769

FINEOTEX CHEMICAL LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH, 2016

(In Rs.)

Particulars	Note	March 31, 2016	March 31, 2015
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
- Share Capital	3	224,596,220	224,596,220
- Reserves and Surplus	4	688,299,664	538,633,742
		912,895,884	763,229,962
2. MINORITY INTEREST		48,200,809	53,739,260
3. NON-CURRENT LIABILITIES		-	-
- Long Term Borrowings		-	-
- Other Long Term Liabilities		-	-
4. CURRENT LIABILITIES			
- Short Term Borrowings	5	30,457,975	10,159,522
- Trade Payables	6	-	-
	7	130,427,128	140,545,438
- Other Current Liabilities	8	5,091,360	11,640,261
- Short Term Provisions	9	14,827,157	28,413,893
		180,803,620	190,759,114
Total		1,141,900,313	1,007,728,336
II. ASSETS			
1. NON-CURRENT ASSETS			
- Fixed Assets			
Tangible Assets	10	131,156,233	116,248,108
capital work-in-progess		-	262,555
- Goodwill on consolidation		61,385,192	61,385,192
- Non-Current Investments	11	389,809,102	293,015,204
- Deferred Tax Assets (Net)	12	4,806,365	4,675,554
- Long Term Loans and Advances	13	59,551,654	80,163,168
		646,708,546	555,749,782
2. CURRENT ASSETS			
- Inventories	14	114,713,942	104,077,156
- Trade Receivables	15	253,939,295	222,904,003
- Cash and Cash Equivalents	16	94,557,157	100,101,760
- Short Term Loans and Advances	17	30,711,478	21,297,476
- Other Current Assets	18	1,269,895	3,598,159
		495,191,767	451,978,554
Total		1,141,900,313	1,007,728,336
Significant Accounting Policies	2	(0)	0
Notes on Financial Statements	1 to 39		

As per our Report of even date

For on behalf of Board of Directors

For UKG & Associates

Chartered Accountants

(Firm Registration No : 123393W)

Surendrakumar Tibrewala

Chairman & Managing Director

DIN : 00218394

Alok Dhanuka

Chairman - Audit Committee

DIN : 06491610

Champak K. Dedhia

Partner

Membership No.: 101769

Sanjay Tibrewala

Executive Director & CFO

DIN : 00218525

Raina D'Silva

Company Secretary

M No.: ACS 36901

Mumbai, 25th May, 2016

Mumbai, 25th May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(In Rs.)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
INCOME			
- Revenue from Operations	19	1,087,329,791	1,019,805,099
- Other Income	20	33,184,325	45,390,961
Total		1,120,514,116	1,065,196,060
EXPENSES			
- Cost of Materials Consumed	21	562,861,032	594,353,382
- Purchase of Stock-in-Trade	22	81,562,526	70,563,118
- Changes in Inventories of Semi Finished / Finished Goods	23	(7,854,192)	17,384,592
- Employee Benefit Expenses	24	37,908,799	37,011,962
- Finance Costs	25	3,885,124	3,267,764
- Other Expenses	26	147,979,075	135,626,646
- Depreciation	10	5,591,216	5,010,716
Total		831,933,580	863,218,180
Profit Before Tax and Exceptional Item		288,580,536	201,977,880
Exceptional Item		-	-
Profit Before Tax		288,580,536	201,977,880
Less: Tax Expenses			
- Current Tax		91,528,994	56,661,274
- Deferred Tax		(85,038)	-507,238
- Short / (Excess) Tax Provision for Earlier Years		-	-125,565
Profit after tax for the year before pre acquisition profits		197,136,580	145,949,410
Less: Pre acquisition profits		-	-
Profit after tax for the year before Minority Interest		197,136,580	145,949,410
Less: Minority Interest		26,732,017	16,801,177
Profit for the year		170,404,563	129,148,233
Earning per Equity Share (Face value Rs. 2 each)			
Basic and Diluted	28	1.52	1.15
Significant Accounting Policies			
Notes on Financial Statements			
	1 to 39		

As per our Report of even date

For **UKG & Associates**
Chartered Accountants
(Firm Registration No : 123393W)

Champak K. Dedhia
Partner
Membership No.: 101769

Mumbai, 25th May, 2016

For on behalf of Board of Directors

Surendrakumar Tibrewala
Chairman & Managing Director
DIN : 00218394

Alok Dhanuka
Chairman - Audit Committee
DIN : 06491610

Sanjay Tibrewala
Executive Director & CFO
DIN : 00218525

Mumbai, 25th May, 2016

Raina D'Silva
Company Secretary
M No.: ACS 36901

FINEOTEX CHEMICAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	For the year ended March 31, 2016	(In Rs.) For the year ended March 31, 2015
Cash flow from operating activities		
Net Profit before tax as per Statement of Profit and Loss	288,580,536	201,977,880
<u>Non-cash adjustment to reconcile profit before tax to net cash flows :</u>		
Depreciation	5,591,216	5,010,716
Loss on sale of Fixed Assets	-	137,559
Net Gain on sale of Investments	(10,374,574)	(37,588,314)
Exchange Difference amortised	739,856	7,016,117
Provision for diminution in value of investments	(31,622)	(79,936)
	284,505,412	176,474,021
<u>Non-operating adjustments to derive net cash flow from operating activities</u>		
Interest Income	(3,602,412)	(5,505,809)
Interest Expense	35,414	1,052,338
Dividend Income	(1,072,682)	(287,020)
Operating Profit before Working Capital Changes	<u>279,865,732</u>	<u>171,733,530</u>
<u>Movements in working capital</u>		
Increase/(Decrease) in Trade Payables	(10,118,310)	3,348,901
Increase/(Decrease) in Short Term Provisions	336,576	24,276
Increase/(Decrease) in Other Current Liabilities	1,075,598	(1,180,562)
(Increase)/Decrease in Trade Receivables	(31,035,292)	(3,703,550)
(Increase)/Decrease in Trade Inventories	(10,636,786)	10,355,316
(Increase)/Decrease in Long Term Loans and Advances	15,361,514	6,072,784
(Increase)/Decrease in Short Term Loans and Advances	(9,278,965)	(10,968,369)
(Increase)/Decrease in Other current Assets	2,328,264	3,583,117
Cash generated from operations	237,898,331	179,265,443
Direct Taxes paid (net of refunds)	(101,680,616)	(42,925,584)
Cash Flow generated from Operating Activities	136,217,714	136,339,859
<u>Cash Flows from Investing Activities</u>		
Purchase of fixed assets including capital advances	(15,258,076)	(52,037,847)
Proceeds on sale of Fixed Assets	-	50,000
Purchase of current investments	(197,965,384)	(264,052,949)
Proceeds from sale/maturity of investments	111,577,682	166,796,698
Interest received	3,602,412	5,505,809
Loans & Advances (given) / Reed Back	(135,038)	19,359,600
Dividend received	1,072,682	287,020
Fixed Deposits with Bank Withdrawn / (Placed)	(703,846)	356,327
Net Cash Flow from/(used in) Investing Activities (B)	(97,809,567)	(123,735,341)

Cash Flows from Financing Activities

Proceeds / (Repayment) from Long term borrowings	-	(29,289,037)
Proceeds / (Repayment) from Short term borrowings	20,298,453	10,159,522
Interest paid	(35,414)	(1,052,338)
Dividends paid	(33,689,433)	(5,614,906)
Dividend Distribution Tax	(1,139,344)	-
Net cash flow from/(used in) Financing Activities (C)	(14,565,738)	(25,796,759)
Effect of exchange differences on translation of foreign currency cash and cash equivalents (D)	(30,090,859)	(13,552,800)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C+D)	(6,248,449)	(26,745,041)
Cash and Cash Equivalents at the beginning of the year	91,683,683	118,428,723
Cash and Cash Equivalents on Acquisition of Subsidiary	-	-
Cash and Cash Equivalents at the end of the year	85,435,234	91,683,683
Components of cash and cash equivalents		
Cash on hand	2,450,706	2,183,352
<u>With banks-</u>		
in current A/c (including unrepresented cheques)	70,399,651	46,911,681
in Earmarked A/c	36,423	23,867
in Fixed deposits with maturity less than 3 months	12,548,455	42,564,783
Total Cash and Cash Equivalents	85,435,234	91,683,683

Notes

Consolidated Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standards (AS 3) " Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.

Figures in bracket represent outflow.

As per our Report of even date

For UKG & Associates

Chartered Accountants

(Firm Registration No : 123393W)

Champak K. Dedhia

Partner

Membership No.: 101769

Mumbai, 25th May, 2016

For on behalf of Board of Directors

Surendrakumar Tibrewala

Chairman & Managing Director

DIN : 00218394

Sanjay Tibrewala

Executive Director & CFO

DIN : 00218525

Mumbai, 25th May, 2016

Alok Dhanuka

Chairman - Audit Committee

DIN : 06491610

Raina D'Silva

Company Secretary

M No.: ACS 36901

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**1 CORPORATE INFORMATION**

Fineotex Chemical Limited ('the Company') is a public limited Company domiciled in India and incorporated under the Companies Act, 1956 with a Company Identification Number of L24100MH2004PLC144295. The Company was incorporated in 2004 and is listed on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The Company is engaged in the business of manufacturing and trading of Chemicals. The Company is one of the leading manufacturers of chemicals for textiles, construction, water-treatment, fertilizer, leather and paint industry.

2 SIGNIFICANT ACCOUNTING POLICIES**Basis of Preparation of Financial Statements:**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP). Pursuant to S. 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014 till the standards of accounting or any addendum thereto are prescribed by central government in consultation and recommendation of the National Financial reporting Authority, the existing accounting standards notified under Companies Act, 1956 shall continue to apply. Consequently these financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Sec 211(3C) [Companies (Accounting Standard) Rules, 2006 as amended] of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013.

A. Principles of Consolidation

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of Companies Act, 2013

The Consolidated Financial Statements relate to the Financial Statements of Fineotex Chemicals Ltd ('The Company') and its Subsidiary Companies (The Company and its subsidiary companies together referred to as 'the Group'). The Consolidated Financial statements have been prepared on the following basis:

- i. The Financial Statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profits or losses as per Accounting Standard 21 - "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- ii. In case of foreign subsidiaries, being non-integral foreign operations, income and expense items are consolidated at the average rate prevailing during the year. All assets and liabilities both monetary and non-monetary are translated at the end of the year at the closing rate. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve grouped under Reserves & Surplus.
- iii. The difference between the cost of investment in the subsidiaries and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the Financial Statements as Goodwill or Capital Reserve as the case may be.
- iv. Minority Interest's share of net profit in Consolidated Subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.
- v. Minority Interest's share in the net assets of Consolidated Subsidiaries is identified and presented in the Consolidated Balance Sheet separate from the Liabilities and Equity of the Company's shareholders.
- vi. Minority Interest in the net assets of the consolidated subsidiaries consists of:
 - vii. a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
 - viii. b) The minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- ix. The results of operations of the subsidiaries are included in the Consolidated Financial Statements as from the date on which parent-subsidiary relation came into existence.
- x. The Consolidated Financial Statements have been prepared using financial statements drawn upto same reporting dates to the extent practicable.
- xi. Investment in Associate Companies has been accounted under the equity method as per Accounting Standard(AS) 23- "Accounting for Investments in Associate in the Consolidated Financial Statements".
- xii. The Company accounts for its share in change in net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance, based on available information.

- xiii. The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve if any, as the case may be.
- xiv. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- xv. Investments other than subsidiaries and associates have been accounted as per Accounting Standard (AS) -13 on Accounting for Investments".
- xvi. The list of subsidiary companies which are included in the Consolidation and the Company's holdings therein are as under:

S N	Name of the Company	Ownership held by	Ownership in % either directly or through Subsidiaries		Country of incorporation
			As At March 31, 2016	As At March 31, 2015	
1	Fineotex Malaysia Limited	Fineotex Chemical Limited	100%	100%	Malaysia
2	BT Chemiclas SDN BHD	Fineotex Malaysia Limited	60%	60%	Malaysia
3	BT Biotex SDN BHD	Fineotex Malaysia Limited	60%	60%	Malaysia
4	Rovatex SDN BHD	Fineotex Malaysia Limited	60%	60%	Malaysia
5	Fineotex Specialities FZE	Fineotex Chemical Limited	100%	100%	UAE
6	FCL Landmarc Private Limited	Fineotex Chemical Limited	100%	100%	India
7	Manya Steels Private Limited	Fineotex Chemical Limited	100%	100%	India

B. Method of Accounting

The financial statements are prepared:

- i. On the historical cost convention.
- ii. On a going concern basis.
- iii. In accordance with the Accounting Standards as notified under the relevant provisions of Companies Act, 2013
- iv. On mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- v. In accordance with the relevant presentation requirements of Schedule III of the Companies Act, 2013 to the extent applicable.

C. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP required judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Estimates and assumptions used in the preparation of the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the Financial Statements, which may differ from the actual results at a subsequent date. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

D. Fixed Assets

i. Tangible Assets

Fixed Assets are stated at their original cost of acquisition including incidental expenses related to acquisition and installation of the concerned assets. Fixed Assets are shown net of accumulated depreciation and amortisation. Historical cost comprises of the acquisition price or construction price and all direct and indirect costs attributable to bring the asset to the working condition for intended use, but excluding any Cenvat/Service Tax / Value Added Tax credit available. Borrowing cost directly attributable to acquisition / construction of fixed asset which necessarily takes a substantial period of time to get ready for their intended use are capitalised.

Capital Work in Progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

ii. Intangible Assets

a. Intangible Assets are stated at cost of acquisition less accumulated amortization. Amortization is done on Straight Line Method.

E. Depreciation

- i. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Accordingly, the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. Lower useful lives considered are as under:

Particulars	Useful Life (Years)
Leasehold Improvements	20

- ii. Depreciation on additions to assets during the year is being provided on pro-rata basis from the date of acquisition/ installation.
- iii. Depreciation on assets sold, discarded or demolished during the year, is being provided at their respective rates on pro-rata basis upto the date on which such assets are sold, discarded or demolished.
- iv. For assets costing Rs.5000/- or less, depreciation is fully provided.
- v. Depreciation on additions on account of increase in rupee value due to revaluation of foreign currency loans is being provided at rates of depreciation over the future life of said asset.
- vi. Depreciation has been calculated as per the Straight Line Method on the basis of estimated useful lives in Foreign Subsidiary as well as the Parent Company. However the estimate of useful lives on the basis of which depreciation has been charged in books of Foreign Subsidiaries differ from the estimate of useful lives as per Companies Act 2013 as charged in the books of Parent Company. Since the difference is not material, depreciation charged in Foreign Subsidiaries has not been reworked to be in line with the Parent Company.

F. Inventories

- i. Cost of Inventories have been computed to include all cost of Purchases, Cost of Conversion and other costs incurred in bringing the inventories to their present location and condition.
- ii. Raw materials are valued at cost. The costs are ascertained using the FIFO method, except in case of slow moving and obsolete materials, at lower of cost or estimated realizable value. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- iii. Work-in-progress and finished goods are valued at the lower of cost or estimated realizable value. Cost represents prime cost, and includes appropriate portion of overheads.
- iv. Scrap is valued at estimated realizable value.

G. Foreign Currency Transactions

- i. Transactions in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year end are restated at the year end rates.
- iii. Any income or expense on account of exchange difference either on settlement or translation is recognised in the Profit and Loss Account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets or in case of long term foreign currency monetary items in which they are transferred to "Foreign Currency Monetary Item Translation Reserve" and amortised over the term of the loan.
- iv. Exchange differences relating to monetary items that are in substance forming part of the Company's net investments in non integral foreign operations are accumulated in foreign currency translation reserve.
- v. Non Monetary items denominated in foreign currencies are carried at cost.

H. Research and Development

- i. Capital Expenditure, if any is shown separately in Fixed Assets.
- ii. Research and development cost (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

I. Investments

- i. Investments are stated at their cost of acquisition. Long term investments are carried at cost. In case there is any diminution of permanent nature in value of Investments, the same is provided for.
- ii. Current Investments are valued at cost of acquisition, less provision for diminution, as necessary, if any.
- iii. Unquoted current investments are stated at the lower of cost and fair value where available.

J. Revenue Recognition

- i. The Company recognizes revenues on the sale of products when the products are delivered to the customer or when delivered to the carrier for exports sales, which is when risks and rewards of ownership pass to the customer. Sales are net of taxes on sales and sales returns.
- ii. Other income is accounted for on accrual basis when it is reasonably certain that the ultimate collection will be made.
- iii. Interest is accrued over the period of loan/ investment.
- iv. Dividend on shares and mutual funds is accounted as and when the right to receive is established.

K. Leases

- i. Lease under which the lessee assumes substantially all the risks and rewards of ownership are classified as finance leases.
- ii. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in Profit and Loss Account.

L. Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

M. Borrowing Costs

- i. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets till such time as the assets are ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
- ii. All other borrowing costs are recognised as an expense in the period in which they are incurred.

N. Taxation

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the applicable tax rates and tax laws. Deferred Tax resulting from timing difference between Book Profits and Tax Profits is accounted for at the applicable rate of tax to the extent the timing differences are expected to crystallize, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with virtual certainty that there would be adequate future taxable income against which Deferred Tax Assets can be realized.

O. Employment Retirement Benefits

- i. Benefits in the form of Provident Fund whether in pursuance of law or otherwise which are defined contributions is accounted on accrual basis and charged to Profit And Loss Account of the year.
- ii. Long term employee benefits under defined benefit scheme such as contribution to gratuity, leave, etc. are determined at the close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gains and losses are recognized in the year when they arise.
- iii. Termination benefits such as compensation under voluntary retirement scheme are recognized as a liability in the year of termination.

P. Cash Flow Statements

The Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March 2016 and the related Statement of Profit & Loss for the year ended on that date. The cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the ICAI.

Q. Provisions, Contingent Liabilities and Contingent Assets

Necessary provisions are made for present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources. Such provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

R. Earnings per share

- i. Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- ii. For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- iii. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issue, including for changes effected prior to the approval of the financial statements by the Board of directors.

S. Operating Cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of product line/ service including the defect liability period, wherever applicable and extends up to the realization of receivables within the agreed credit period normally applicable to the respective lines of business.

FINEOTEX CHEMICAL LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

3 - Share Capital

(In Rs.)		
Particulars	March 31, 2016	March 31, 2015
Authorised		
115,000,000 (23,000,000) Equity shares of Rs. 2/- (10/-) each	230,000,000	230,000,000
Issued, Subscribed and Paid-up		
112,298,110 (22,459,622) Equity shares of Rs. 2/- (10/-) each fully paid up	224,596,220	224,596,220
Total	224,596,220	224,596,220

i. Shareholders holding more than 5 % of Equity Shares

Name of the Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	% held	No. of Shares	% held
Mr. Surendra Tibrewala	69,155,830	61.58%	13,831,166	61.58%
Mr. Amitabh Harivansh Rai Bachchan	5,219,708	4.65%	1,223,414	5.45%

ii. Reconciliation of the number of Equity Shares outstanding

Particulars	March 31, 2016 No. of Shares	March 31, 2015 No. of Shares
Number of shares at the beginning of the year	22,459,622	11,229,811
Add: Bonus Shares issued (Refer Note iv)	-	11,229,811
Add : Additions on account of sub division of shares (Refer Note iii)	89,838,488	-
Number of shares at the end of year	112,298,110	22,459,622

iii. 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 (Record date). Accordingly, the current year notes have been stated to this effect.

iv. The Company had allotted 1,12,29,811 fully paid-up equity shares of face value Rs. 10/- each during the year ended 31st March, 2015 pursuant to the bonus issue approved by the shareholders through postal ballot by capitalisation of Securities Premium. Bonus equity shares were issued in proportion of 1:1 i.e. 1 (one) equity share of Rs. 10/- each fully paid up for every one share held.

v. The Company has only one type of equity share. Each equity share is entitled to one voting right only.

vi. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution would be in proportion of the number of Equity shares held by the Equity Shareholders.

4 - Reserves and Surplus

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Capital Reserve	1,085,354	1,085,354
Securities Premium Account		
Balance at the beginning of the year	122,020,880	234,318,990
Less : Amount utilised for issuance of Bonus shares (Refer Note 3(iii))	-	112,298,110
Balance at the end of the year	122,020,880	122,020,880
Foreign Currency Translation Reserve		
Balance at the beginning of the year	16,651,761	21,343,415
Add : Additions during the year	36,559,001	(4,691,654)
Balance at the end of the year	53,210,762	16,651,761
Foreign Currency Monetary Item Translation Reserve		
Balance at the beginning of the year	(739,856)	(7,452,532)
Add : Additions during the year	-	(303,441)
Less : Amortised during the year (Refer Note 4(i))	739,856	7,016,117

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

4 - Reserves and Surplus

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Balance at the end of the year	-	(739,856)
Profit and Loss Account		
Balance at the beginning of the year	399,832,451	286,398,652
Less : Additional Depreciation (net of tax) pursuant to enactment of Schedule II of the Companies Act, 2013 (Refer Note 4(ii))	-	(155,586)
Add : Profit for the year	170,404,563	129,148,234
<u>Less : Appropriations</u>		
Proposed Dividend on Equity Shares	58,254,345	14,636,353
Tax on dividend	-	1,139,344
Total	511,982,668	399,615,603
	688,299,664	538,633,742

Note:

- The Company has exercised the option under paragraph 46A(1) of Accounting Standard - 11 (Revised 2003) 'The Effect of Changes in Foreign Exchange rates' as notified by Ministry of Company Affairs vide notification dated 29th December, 2011. Consequently the foreign exchange loss arising on reporting/settlement of long term foreign currency monetary items (other than relating to acquisition of depreciable fixed assets) amounting to Rs. NIL (Rs. 3,03,441/-) for the year ended 31st March 2016 has been accumulated in "Foreign Currency Monetary Translation Difference Account", whereby the cumulative balance stands at Rs. NIL (Rs. 7,39,856/-). During the year an amount of Rs. 7,39,856/- (Rs 70,16,117/-) has been amortized.
- Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly, the written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs. 1,55,586/-

5 - Short Term Borrowings

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Secured Borrowings		
Bank Overdraft (Refer Note 5(i))	30,447,975	10,149,522
Unsecured Borrowings		
Interest free loan	10,000	10,000
Total	30,457,975	10,159,522

Note:

- Bank Overdraft is secured against Fixed deposits and pledge/lien on securities held by the Company.
- Unseured borrowings are repayable on demand.

6 - Trade Payables - Dues to Micro and Small Enterprises

Particulars	March 31, 2016	March 31, 2015
i. Principal and interest amount remaining unpaid	-	-
ii. Interest due thereon remaining unpaid	-	-
iii. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
iv. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
v. Interest accrued and remaining unpaid	-	-
vi. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
Total	-	-

Note:

The above details are based on the intimation received from vendors and as confirmed by the management

FINEOTEX CHEMICAL LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

7 - Trade Payables - Dues to Others

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Other than Micro and Small Enterprises		
i. To Related Party	-	9,595,378
ii. To Others	130,427,128	130,950,060
Total	130,427,128	140,545,438

8 - Other Current Liabilities

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Current maturities of long term debt (Secured) Refer note 8(i)	-	7,624,500
Interest accrued but not due on borrowings	-	60,652
Advance from customers	767,750	727,455
Trade Deposits	2,359,010	1,316,027
Interest payable on Trade Deposits	485,068	357,870
Other		
Unclaimed dividend	36,423	23,867
Statutory dues	1,139,573	1,529,891
Others	303,537	-
Total	5,091,360	11,640,262

Note:

- i. Current Maturities of Long Term Debt in respect of the previous year represents last installment of term loan from EXIM Bank carrying an interest rate of six months LIBOR plus 4.50% p.a. which has been repaid in the current year.

9 - Short Term Provisions

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
<u>Provision for Employee Benefits</u>		
Provision for Leave Encashment	226,875	177,518
Provision for Gratuity Refer Note 24	155,977	-
Provision for Bonus	378,270	247,028
<u>Others</u>		
Provision for Income tax (net of Advance Tax)	14,066,035	15,620,192
Proposed dividend	-	11,229,811
Provision for dividend tax	-	1,139,344
Total	14,827,157	28,413,893

10- Fixed Assets
CURRENT YEAR:

Sr. No.	Particulars	Gross Block					Depreciation				Net Block	
		As on 01st April 2015	Additions during the year	Effect of foreign currency exchange differences	Disposals/ Adjustments	As on 31st March 2016	As on 01st April 2015	For the year	Disposals / Adjustments	As on 31st March 2016	As on 31st March 2016	As on 31st March 2015
	Tangible Assets											
1	Freehold Land	38,525,526	-	-	-	38,525,526	-	-	-	-	38,525,526	38,525,526
2	Leasehold Land	25,174,800	-	-	-	25,174,800	268,180	-	268,180	-	25,174,800	24,906,620
3	Buildings	20,192,418	17,822,835	-	-	38,015,253	1,303,718	1,426,792	49,380	2,681,130	35,334,124	18,888,701
	Factory Building	5,478,278	16,459,193	-	-	21,937,471	1,063,089	643,172	70,287	1,635,975	20,301,497	4,415,189
	Office Premises	14,714,140	1,363,642	-	-	16,077,782	240,628	783,620	(20,907)	1,045,155	15,032,627	14,473,512
4	Plant and Machinery	35,652,908	1,917,970	105,612	-	37,676,490	11,500,335	2,562,723	(531,893)	14,594,951	23,081,539	24,152,573
5	Furniture and Fixtures	1,763,657	588,148	3,924	-	2,355,729	845,210	271,112	-	1,116,322	1,239,407	918,447
6	Computers	1,516,966	179,122	-	-	1,696,088	1,328,800	274,724	-	1,603,524	92,564	188,165
7	Vehicles	12,199,612	-	74,198	-	12,273,810	7,475,270	711,134	(90,811)	8,277,215	3,996,595	4,724,342
8	Leasehold Improvements	6,548,421	-	34,480	-	6,582,901	2,604,688	344,732	78,198	2,871,222	3,711,680	3,943,734
	Total	141,574,308	20,508,076	218,214	-	162,300,598	25,326,201	5,591,217	(226,946)	31,144,364	131,156,234	116,248,108

PREVIOUS YEAR:

Sr. No.	Particulars	Gross Block					Depreciation				Net Block	
		As on 01st April 2014	Additions during the year	Effect of foreign currency exchange differences	Disposals/ Adjustments	As on 31st March 2015	As on 01st April 2014	For the year	Disposals / Adjustments	As on 31st March 2015	As on 31st March 2015	As on 31st March 2014
	Tangible Assets											
1	Freehold Land	25,043,321	13,482,205	-	-	38,525,526	-	-	-	-	38,525,526	25,043,321
2	Leasehold Land	10,200,000	14,974,800	-	-	25,174,800	-	268,180	-	268,180	24,906,620	10,200,000
3	Buildings	5,961,278	14,231,140	-	-	20,192,418	911,775	391,942	-	1,303,718	18,888,701	5,049,503
4	Factory Building	5,478,278	-	-	-	5,478,278	856,665	206,424	-	1,063,089	4,415,189	4,621,614
5	Office Premises	483,000	14,231,140	-	-	14,714,140	55,111	185,518	-	240,629	14,473,511	427,889
4	Plant and Machinery	34,708,997	1,732,982	(559,874)	229,200	35,652,906	9,600,292	1,941,681	41,641	11,500,333	24,152,573	25,108,705
5	Furniture and Fixtures	1,786,827	-	(23,170)	-	1,763,657	604,547	240,663	-	845,210	918,447	1,182,280
6	Computers	1,448,005	68,961	-	-	1,516,966	798,658	452,097	(78,045)	1,328,800	188,165	649,346
7	Vehicles	10,602,515	2,035,204	(438,107)	-	12,199,612	6,408,781	1,066,489	-	7,475,270	4,724,342	4,193,734
8	Leasehold Improvements	6,752,011	-	(203,590)	-	6,548,421	2,024,299	422,732	(157,656)	2,604,688	3,943,734	4,727,712
	Total - (I)	96,502,955	46,525,292	(1,224,740)	229,200	141,574,306	20,348,354	4,783,785	(194,060)	25,326,198	116,248,108	76,154,601
	Capital Work-In-Progress										262555	

Notes

- Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly, the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs. 1,55,586/-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

11 - Non Current Investments

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Non - Trade Investments		
i. Investment in Equity Instruments (Quoted)	74,739,391	41,800,431
ii. Investment in Mutual Funds	277,213,111	213,358,174
Other Investments		
i. Property Investment	37,856,600	37,856,600
Total	389,809,102	293,015,204

i - Investment in Equity Instruments (Quoted)

Particulars	Face Value	March 31, 2016 Numbers	March 31, 2015 Numbers	March 31, 2016 Rupees	March 31, 2015 Rupees						
Sun Pharmaceuticals Industries Ltd	1	8100	3100	6,941,651	2,569,766	P.I. Industries Ltd.	2	1000	1000	433,240	242,415
Vinati Organics Ltd	10	5282	4532	2,296,359	1,815,879	Pidilite Industries Ltd	1	500	500	710,887	433,240
Ajanta Pharma Ltd	10	1250	1250	588,088	588,088	P & G Hygiene Healthcare Ltd.	10	0	50	-	305,305
Allied Digital Services Ltd	5	9250	0	502,738	-	Ranbaxy Laboratories Ltd	5	0	2500	-	1,507,075
Amtek Auto Ltd	2	40000	0	1,994,500	-	Sintex Industries Ltd	1	8500	4500	976,850	485,370
Arow Coat	10	650	0	504,257	-	Shalibhadra Finance Ltd	10	82000	100000	2,693,096	3,303,000
Asian Paints Ltd	1	4500	3400	3,171,894	2,206,858	Shivam Autotech Ltd	2	2000	2500	155,360	194,200
ACC Limited	10	820	500	1,242,228	745,860	Siyaram Silk Mills Ltd	10	474	0	449,282	-
Aurobindo Pharma Ltd	1	1100	0	1,477,113	-	Sunpharma Advanced Research Company Ltd	1	3000	0	1,192,140	-
Bajaj Auto Ltd	10	675	675	1,608,095	1,608,095	Suzlon Energy Ltd	2	77500	0	1,443,875	-
Bengal Assam Company Ltd	10	0	500	-	257,705	Swaraj Engine Ltd.	10	500	0	479,425	-
Balkrishna Industries Ltd	2	630	0	482,448	-	Tata Jewels Ltd	10	1000	0	613,200	-
Berger Paints India Ltd	1	0	4800	-	947,690	Tata Steel Ltd	10	600	600	285,522	285,522
Century Textile Industries Ltd	10	800	0	514,496	-	Tata Motors Ltd	1	2985	1400	1,015,268	500,038
Cipla Ltd	5	2250	1550	1,500,850	1,008,260	Tata Consultancy Services Ltd	1	0	910	-	2,272,661
City Union Bank Ltd	1	2000	2000	185,380	185,380	Torrent Pharmaceuticals Ltd	10	3450	1600	3,890,302	1,490,635
Divi's Laboratories Ltd	1	300	300	517,698	517,698	TVS Motor Company Ltd	1	2200	0	497,387	-
Eicher Motors Ltd	10	30	0	478,678	-	United Phosphorus Ltd.	2	1000	1000	348,500	348,500
Engineers India Ltd	5	750	750	-	173,760	United Spirits Ltd	10	150	0	458,433	-
Force Motors Ltd	10	780	650	1,233,702	853,128	Upserge Investment Finance Ltd	10	150000	0	4,090,900	-
Fortune Financial Services (India) Ltd	10	11890	0	2,572,808	-	Urja Global Ltd.	1	96591	96591	4,737,789	4,737,789
Godrej Industries Ltd	1	0	650	-	196,840	Vardhmana Acrylics Ltd	1	32000	0	1,820,400	-
HDFC Bank Ltd	2	2550	2550	2,226,435	2,226,435	Vidhi Dyestuffs Manufacturing Ltd	1	18000	0	1,310,880	-
Hero Motocorp Ltd	10	525	525	1,438,261	1,438,261	Virtual Global Education Ltd	1	160000	0	1,737,900	-
Hindalco Industries Ltd	1	2000	2000	306,280	306,280					74,739,391	41,800,431
HDFC Ltd	2	1990	1990	2,205,802	2,205,802	ii - Investment in Mutual Funds					
ICICI Bank Ltd	1	4650	1650	1,559,244	596,904		Face Value	March 31, 2016 Numbers	March 31, 2015 Numbers	March 31, 2016 Rupees	March 31, 2015 Rupees
ILFS Transportation Networks Ltd	10	5000	0	467,950	-	Equity Based Mutual Funds					
Infibeam Incorporation Ltd	10	500	0	212,550	-	Birla Sunlife Dividend Yield Plus Growth Fund	10	13605.525	23108.740	1,284,644	2,181,944
Infosys Limited	10	400	200	412,512	412,512	Birla Sun Life MNC Fund Growth	10	31244.464	-	18,000,000	-
ITC Limited	1	2100	4100	754,326	1,472,731	DSP Blackrock Balanced Fund Regular	10	-	116749.464	-	11,514,299
Jamma Auto Industries Ltd	10	8000	0	1,081,760	-	DSP Blackrock Equity Fund Growth	10	394651.069	394651.069	10,000,000	10,000,000
Kotak Mahindra Bank Ltd	10	1450	600	2,003,896	214,060	Franklin India Prima Fund Growth	10	31415.063	18405.715	20,010,000	11,410,000
Kopran Ltd	10	0	3500	-	781,380	Franklin Templeton MF High Value	10	99912.327	-	4,000,000	-
Larsen & Toubro Ltd.	2	700	300	1,070,493	524,349	HDFC Equity Growth Fund	10	28194.63	18612.345	12,125,583	7,394,883
Lupin Ltd	2	350	350	503,279	503,279	HDFC Midcap Opportunities Fund Growth	10	947973.2	798791.200	34,583,567	27,176,162
MRF Ltd	10	12	0	499,759	-	ICICI Pru. Balanced Fund Reg. Growth	10	-	99741.608	-	8,058,124
Multi Commodity Exchange of India Ltd	10	1300	300	1,270,283	268,323						
Nitin Fire Protection Industries Ltd	2	11500	0	503,585	-						
Oil & Natural Gas Corporation Ltd	2	2600	2600	1,069,360	1,069,360						

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

ICICI Pru. Mid Cap Fund	10	100361.905	-	7,139,746	-	DSP BR Income Opportunities Fund	10	362875.603	370617.221	7,478,318	7,636,251
ICICI Pru. Value Discovery Fund	10	25503.474	-	2,900,000	-	Growth					
Motilal Oswal Most Focused Mid Cap 30 Fund Growth	10	122869.444	-	2,500,000	-	HDFC Corporate Debt Opp. Fund	10	775370.531	775370.531	8,000,000	8,000,000
Reliance Mid & Small Cap Fund Growth	10	368495.344	-	9,185,951	-	Growth					
SBI Bluechip Fund Growth	10	192647.265	-	5,000,000	-	HSBC Flexi Debt Fund - Growth	10	123223.270	123223.270	2,000,000	2,000,000
SBI Magnum Global Fund	10	74971.923	-	10,000,000	-	HSBC Flexi Debt Fund - Regular	10	-	373243.21	-	5,500,000
SBI Pharma Fund Growth	10	16581.163	-	2,500,000	-	Growth					
Sundaram Select Focus Regular Plan Growth	10	107362.503	107362.503	12,750,000	12,750,000	ICICI Prudential Regular Savings Fund Growth	10	892485.864	892485.864	11,119,372	11,119,372
Sundaram Select Midcap Appreciation Fund	10	36480.134	12478.042	11,298,918	2,123,790	Kotak Income Opportunities Fund - Growth	10	505451.4500	505451.4500	6,494,445	6,494,445
Sundaram S.M.I.L.E. Fund Growth	10	63970.096	34829.468	4,500,000	2,500,000	Kotak Credit Opportunity Fund - Growth	10	542370.886	542370.886	7,500,000	7,500,000
Sundaram Select Midcap Fund Growth	10	56003.915	17379.192	18,605,884	5,410,000	Reliance Regular Saving Fund Debt Plan Growth	10	531390.200	667027.545	8,788,918	10,869,309
Debt Based Mutual Funds						SBI Regular Saving Fund Regular Growth	10	90985.262	90985.262	1,770,000	1,770,000
BNP Paribas Bond Fund - Growth	10	389285.359	-	5,000,000	5,000,000	UTI Bond Regular Fund Growth	10	109128.400	288055.970	3,702,106	9,772,102
BNP Paribas Flexi Debt Fund - Growth	10	543193.088	543193.088	10,794,116	10,794,116	UTI Credit Opportunity Fund Growth	10	936178.210	936178.210	9,915,000	9,915,000
DSP BR Bond Fund - Retail Plan (Growth)	10	222262.809	443635.997	8,266,543	16,500,000					277,213,111	213,389,796
										-	31,622
										277,213,111	213,358,174

Notes:

SN	Particulars	March 31, 2016	March 31, 2015
i.	Aggregate provision for diminution in value of Current Investments	-	31,622
ii.	Aggregate cost of quoted investments	74,739,391	41,800,431
iii.	Aggregate market value of quoted investments	66,952,082	42,986,017
iv.	Aggregate amount of unquoted investments	277,213,111	213,389,796
v.	All the investments have been valued at cost or market value whichever is lower. (Refer Note 2I of Significant Accounting Policies).		
vi.	The Company during the year under consideration has regrouped investments in Mutual Funds as non current investments and accordingly provision for diminution created in the previous year was on account of classification of the said investments as current investments.		
vii.	Investments in Mutual funds amounting to Rs. 5,58,59,445/- (Rs. 5,58,59,445/-) are under lien against bank overdraft facility availed by the Company.		

12 - Deferred Tax Asset (Net)

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Deferred Tax Asset		
Expenditure allowable u/s. 35D	9,876,058	9,699,700
Provision for diminution in value of investments	-	5,130
Expenditure/Provisions allowable on payment basis - 43B Items	209,429	137,744
Sub-Total (A)	10,085,487	9,842,574
Deferred Tax Liability		
Depreciation	5,279,122	5,167,020
Sub-Total (B)	5,279,122	5,167,020
Total(A-B)	4,806,365	4,675,554

FINEOTEX CHEMICAL LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

13 - Long Term Loans and Advances

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
<u>Unsecured, Considered good</u>		
Capital Advances	36,960,000	42,210,000
Security Deposits		
- Related Parties Refer Note (i & ii) below	19,500,000	24,500,000
- Others	738,353	194,130
Other Loans and Advances		
-Trade Deposits	1,736,207	2,508,199
-Balance with VAT & Excise Authorities	617,093	10,715,106
-Gratuity Paid	-	35,733
Total	59,551,654	80,163,168

Notes:

- i. Interest Free deposit towards rented premises paid to relative of director Rs.1,95,00,000/-(Rs.1,95,00,000/-)
- ii. Trade deposit given to group company in the previous year amounting to Rs.50,00,000/-.

14 - Inventories

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Raw Materials	71,658,261	68,507,134
Work in Progress	15,408,252	13,564,100
Packaging Materials	2,825,275	3,381,830
Finished Goods	24,822,154	18,624,092
Total	114,713,942	104,077,156

Note :

Inventories are valued at lower of cost or net realizable value whichever is less. (Refer Note 2F of Significant Accounting Policies).

15 - Trade Receivables

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
<u>Unsecured, Considered good</u>		
- Outstanding for a period exceeding six months	1,059,473	1,477,349
- Others	252,879,822	221,426,654
Total	253,939,295	222,904,003

16 - Cash and Cash Equivalents

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Cash and Cash Equivalents		
Balance with Banks	70,399,651	46,911,681
Cash on hand (As certified by the management)	2,450,706	2,183,352
Other Bank Balances		
Balance Earmarked With banks		
- Unclaimed dividends	36,423	23,867
Fixed Deposits with maturity of less than 3 months	12,548,455	42,564,783
Fixed deposits with maturity of more than 3 months but less than 12 months	9,121,923	8,418,077
Total	94,557,157	100,101,760

Note:

Fixed Deposits amounting to Rs. 91,21,923/- (Rs. 1,69,18,077/-) are under lien with Banks against borrowings and tender deposits.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

17 - Short Term Loans and Advances

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Unsecured, Considered good		
Security Deposits	53,419	2,069,638
Other Loans and Advances		
- Balance with VAT and Excise Authorities	15,247,756	9,502,133
- Other loans & Advances	775,438	640,400
- Others	14,634,865	9,085,304
Total	30,711,478	21,297,475

Note:

Others include advance to Creditors, Prepaid expenses and Loan to employees.

18 - Other Current Assets

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
- Interest accrued but not due	518,580	1,236,590
- Interest accrued and due	-	1,160,000
- Duty Drawback Receivable	751,315	1,201,569
Total	1,269,895	3,598,159

19 - Revenue from Operations

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Sale of Products	1,153,393,275	1,079,616,717
Less: Excise Duty	68,758,893	63,607,910
	1,084,634,382	1,016,008,807
Sale of Services	199,457	1,676,367
<u>Other operating revenue</u>		
Duty Drawback/DEPB incentive	2,495,952	2,119,925
Total	1,087,329,791	1,019,805,099

20 - Other Income

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
<u>Dividend income:</u>		
- From Non Current Investment	1,072,682	287,020
Net Gain on sale / redemption of securities	10,374,574	37,588,315
Interest on deposits with banks and others	3,602,412	5,505,809
Rent Income	520,000	-
Foreign exchange gain (Net)	11,863,546	1,895,681
Reversal of provision for diminution of investments	31,622	79,936
Other Income	5,719,488	34,200
Total	33,184,325	45,390,961

21 - Cost of Materials including packaging materials consumed

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Raw Materials	506,428,154	538,994,326
Packaging Materials	56,432,878	55,359,056
Total	562,861,032	594,353,382

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

22 - Purchase of Stock in Trade

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Purchase of Stock in trade	81,562,526	70,563,118
Total	81,562,526	70,563,118

23 - Changes in Inventories of Semi Finished / Finished Goods

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Closing stock	40,449,056	33,655,698
Less: Opening stock	32,594,863	51,040,290
Total	(7,854,192)	(17,384,592)

24 - Employee Benefit Expenses

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Salaries, wages, bonus and leave encashment	35,387,104	34,365,541
Contribution to provident and other funds	1,748,915	1,979,067
Provision for gratuity	256,713	58,046
Staff welfare expenses	516,068	609,308
Total	37,908,799	37,011,962

Disclosures as defined in Accounting Standard 15 "Employee Benefits" are given below:

Defined Contribution Plan:

Employer's contribution to PF, ESIC and other funds

Defined Benefit Plan:

The Company has taken a policy under Group Gratuity Scheme with the Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	March 31, 2016	March 31, 2015
A) Table showing changes in the Present value of Obligation:		
Defined Benefit Obligation at the beginning of the year	795,912	668,697
Current Service Cost	106,345	104,030
Interest Cost	63,673	53,496
Actuarial (Gain)/ Loss	162,857	(30,311)
Benefit paid	(256,442)	-
Defined Benefit Obligation at year-end	872,345	795,912
B) Table showing changes in fair value of plan assets:		
Fair value of plan assets at beginning of the year	831,645	584,513
Expected return of plan asset	76,162	69,169
Actuarial (Gain)/ Loss	-	-
Employer Contribution	65,002	177,963
Benefit paid	(256,442)	-
Fair Value of plan assets at year end	716,367	831,645
Actual return on plan assets	-	-
C) Table showing fair value of plan assets:		
Fair Value of Plan asset at beginning of the year	831,645	584,513
Actual return on plan asset	76,162	69,169
Employer Contribution	65,002	177,963
Benefit Paid	(256,442)	-
Fair Value of Plan asset at the end of the year	716,367	831,645
Funded Asset/(Liabilities)	(155,977)	35,733

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

D) Actuarial Gain/Loss recognized:		
Actuarial (Gain)/Loss for the year obligation	(162,857)	30,311
Actuarial (Gain)/Loss for the year plan assets	-	-
Total (Gain)/Loss for the year	(162,857)	(30,311)
Actuarial (Gain)/Loss recognized for the year	(162,857)	(30,311)
E) The amounts to be recognized in the balance sheet and statements of profit and loss:		
Present value of obligations as at the end of year	872,345	795,912
Fair Value of plan assets as at the end of the year	716,367	831,465
Funded Status	(155,977)	35,733
Net Asset/(Liability) recognized in balance sheet	(155,977)	35,733
Particulars	March 31, 2016	March 31, 2015
F) Expenses recognized in statement of profit and loss:		
Current Service Cost	106,345	104,030
Interest Cost	63,673	53,496
Expected return of plan asset	(76,162)	(69,169)
Net Actuarial (Gain)/loss recognised in the year	(162,857)	(30,311)
Expenses recognised in statement of profit and loss	256,713	58,046
G) Assumption:		
Discount Rates	8%	8%
Salary Escalation	5%	5%

25 - Finance Cost

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Interest on trade deposits	173,054	144,411
Bank charges	1,994,409	1,914,457
Bank Interest	1,682,247	156,558
<u>Other Borrowing cost</u>		
- Interest on loan	35,414	1,052,338
Total	3,885,124	3,267,764

26 Other Expenses

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Labour charges	23,471,912	22,654,284
Consumption of stores and spares	2,220,960	5,030,868
Power and fuel	4,293,986	2,235,852
Rent	8,177,620	7,415,269
<u>Repairs and Maintenance of :</u>		
- Buildings	2,697,053	888,061
- Plant and Machinery	3,725,101	2,452,849
- Others	1,852,191	1,385,571
Insurance	874,155	709,776
Rates and Taxes	1,950,571	5,685,117
<u>Payment to Auditors</u>		
- For Audit	589,795	476,466
- For Taxation Matters	412,878	114,762
- For Other Services	424,160	105,000
Commission	24,771,848	22,059,760
Legal & Professional fees	33,586,667	27,418,654
Expenditure on CSR activities	2,200,000	500,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Donation	163,559	170,816
Loss on sale of Fixed Assets	-	137,559
Miscellaneous expenses	36,566,619	36,185,982
Total	147,979,075	135,626,646

27 - Contingent Liabilities and Commitments

- i. Contingent liabilities not provided for in respect of:

Particulars	March 31, 2016	March 31, 2015
(a) Guarantees given by bank	1,714,202	1,632,199
(b) Claims against the Company not acknowledged as debts	214,820	214,820

Future cash outflows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognized in the financial statements.

- ii. Premium amount to be paid to MIDC on account of transfer of leasehold land in the name of the Company for which amount is not ascertainable.

iii **Commitments**

Particulars	March 31, 2016	March 31, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances).	15,985,547	25,590,000

28 - Earnings per share

Particulars	March 31, 2016	March 31, 2015
Consolidated Profit attributable to shareholders (In Rs.)	170,404,563	129,148,233
Weighted average number of shares outstanding during the year *	112,298,110	112,298,110
Basic and Diluted Earnings per Share (In Rs.)	1.52	1.15
Face Value per Equity Share (In Rs.)	2	2

* EPS for the previous year reflected above has been calculated after considering split of shares in the ratio of 5:1 approved through postal ballot declared on 28th May, 2015.

29 - Interim Dividend

Fineotex Chemical Limited has paid an interim dividend of Rs. 0.20 per equity share (i.e. 10% of the face value) on 11,22,98,110 equity shares of face value of Rs. 2/- each on 29th March, 2016 vide Board Resolution dated 14th March, 2016.

30 - Segment Reporting

The Group has considered the business segment as the primary reporting segment on the basis that the risk and returns of the Group is primarily determined by the nature of products and services. Consequently, the geographical segment has been considered as a secondary segment.

The business segment has been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

The Group is engaged in the business of manufacturing and trading of chemicals except for one subsidiary which is engaged in the business of Real Estate. Considering the nature of business and financial reporting of the Group, the Group has only two segments viz; Speciality chemicals and Real estate Development as reportable segment. However since the operations of the Real Estate Segment does not exceed 10% of the total operations of all segments, the same has not been reported.

The group operates in different locations viz:- within India and Outside India. The same has been considered as secondary segment for reporting as required under Accounting Standard 17- 'Segment Reporting', issued under Companies (Accounting Standards) Rules, 2006.

Based on the above, The Disclosure required under Accounting Standard 17- 'Segment Reporting', issued under Companies (Accounting Standards) Rules, 2006 are provided below:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

a. PRIMARY SEGMENT

The Group has identified 'Speciality Chemicals' as the only reportable segment

b. SECONDARY SEGMENT INFORMATION - GEOGRAPHICAL SEGMENT

Geographical Segment has been identified as secondary segment based on segment revenue

(In Rs.)

Particulars	March 31, 2016	March 31, 2015
Segment Revenue		
- Domestic	549,860,871	521,975,000
- Overseas	537,423,899	498,335,758
	1,087,284,770	1,020,310,758

30 - Related Party Transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are given by way of an Annexure.

List of related parties where control exists and related parties with whom transactions have taken place and relationships

SN	Name of the Related Party	Relationship
1	Surendrakumar Tibrewala	Key Management Personnel
2	Sanjay Tibrewala	
3	Kedha Shankar	
4	Mrs. Kanaklata Surendra Tibrewala	Relatives of Key Management Personnel
5	Sanjay Exports	Enterprise under significant influence of Key Management Personnel or their relatives
6	Proton Biochem Private Limited	

31 - Corporate Social Responsibility

The gross amount required to spent by the company during the year is Rs. 29,97,800/- (out of which Rs. 9,46,000/- pertains to previous year) as per the provisions of section 135 of the Companies Act, 2013. However, the Company has spent Rs. 22,00,000/- during the current year.

32 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries

S N	Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
		As % of Consolidated Net Assets	Amount (Rs. in lakhs)	As % of Consolidated Net Profit	Amount (Rs. in lakhs)
I	<u>Parent</u> Fineotex Chemical Limtied	91.68%	8,369.04	88.79%	1,513.05
II	<u>Subsidiaries</u>				
	Indian				
	FCL Landmarc Private Limited	0.003%	0.30	-0.004%	(0.07)
	Manya Steels Private Limited	0.002%	0.17	0.039%	0.67
	Foreign				
	Fineotex Malaysia Limited	16.96%	1,548.59	30.42%	518.30
	Fineotex Specialities FZE	0.78%	71.08	2.32%	39.60
	BT Chemicals SDN BHD	8.89%	811.57	35.51%	605.19
	BT Biotex SDN BHD	2.78%	253.46	4.38%	74.67
	BT Exon SDN BHD	0.22%	20.31	-0.10%	(1.71)
	Minority Interest in subsidiaries	-5.28%	(482.01)	-15.83%	(269.69)
	Inter company Eliminations and Consolidation adjustments	-16.03%	(1,463.55)	-45.54%	(775.96)
	Total	100.00%	9,128.96	100.00%	1,704.05

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Notes:

- i. The above amounts / percentage of net assets and net profit or (loss) in respect of Fineotex Chemical Limited and its subsidiaries are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.
 - ii. Net Assets and Share in Profit / Loss of the foreign subsidiaries are converted to INR based on the closing exchange rate.
- 33** The Consolidated Financial Statements have been prepared on the basis of unaudited Financial Statements of the Foreign subsidiary companies and audited Financial Statements of the Indian subsidiary companies provided by the Management for the purpose of consolidation.
 - 34** Significant Accounting policies and notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosures and a guide for better understanding of the consolidated position of the Group. Recognising this purpose, the Group has disclosed only such policies and notes from the individual Financial Statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed when referred from the individual Financial Statements.
 - 35** The Group has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act could not be furnished.
 - 36** Balance of sundry debtors, creditors and loans and advances are subject to confirmation, reconciliation, if any.
 - 37** In the opinion of board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
 - 38** Figures pertaining to the Subsidiary Companies have been reclassified wherever necessary to bring in line with the Company's Financial Statements.
 - 39** Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

As per our Report of even date

For UKG & Associates
Chartered Accountants
 (Firm Registration No : 123393W)

Champak K. Dedhia
 Partner
 Membership No.: 101769

Mumbai, 25th May, 2016

For on behalf of Board of Directors

Surendrakumar Tibrewala	Alok Dhanuka
Chairman & Managing Director	Chairman - Audit Committee
DIN : 00218394	DIN : 06491610

Sanjay Tibrewala	Raina D'Silva
Executive Director & CFO	Company Secretary
DIN : 00218525	M No.: ACS 36901

Mumbai, 25th May, 2016

Annexure - AS 18 - Related Party Disclosures

SN	NAME OF RELATED PARTY	2015-16		2014-15	
		Amount (In Rs.)	Balance O/S Dr/(Cr)	Amount (In Rs.)	Balance O/SDr/(Cr)
	<u>Key Management Personnel</u>				
	Surendra Tibrewala				
	Directors Remuneration	3,240,000	(161,035)	3,628,800	(262,800)
	Rent Paid	882,000	(66,150)	882,000	(66,150)
	Loans Taken	-	10,000	200,000	10,000
	Loans Repaid	-	-	200,000	-
	Reimbursements of expenses	-	-	17,718	-
	Sanjay Tibrewala				
	Directors Remuneration	3,240,000	(161,035)	3,628,800	(262,800)
	Deposit Given	100,000	-	100,000	-
	Kedha Shankar				
	Technical Fees	2,504,846	-	2,606,609	(64,307)
	<u>Relatives of Key Management Personnel</u>				
	Kanaklata Tibrewala				
	Rent Paid	828,000	(62,100)	828,000	(37,800)
	Trade Deposits	-	19,500,000	-	19,500,000
	<u>Enterprise under significant influence of Key Management Personnel or their relatives</u>				
	Proton Biochem Private Limited				
	Labour Charges	21,701,073	(4,308,712)	20,692,194	(4,082,432)
	Interest on Deposits (Income)	520,000	-	600,000	1,160,000
	Trade Deposits	-	-	-	5,000,000
	Trade Deposits Repaid	5,000,000	-	-	-
	Sanjay Exports				
	Purchase of DEPB license	-	-	283,748	-

Note

Related parties are identified by the Company and relied upon by Auditors.

FCL**FINEOTEX CHEMICAL LIMITED**

(CIN : L24100MH2004PLC144295)

Registered Office : 42,43 Manorama Chambers SV Road, Bandra (W), Mumbai 400050

Tel: 91 22 26559174 Fax : 91 22 26559178 E-Mail: info@fineotex.comWebsite: www.fineotex.com**BALLOT FORM**

1. Name and Registered Address of the Sole/
First named Shareholder :
2. Name(s) of the Joint-holder(s), if any :
3. Registered Folio No. / DP ID No. / Client ID No.
4. Number of Share(s) held :
5. EVEN (E-Voting EVENT Number) : 16080012
6. User ID :
7. Password :
8. I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Thirteenth Annual General Meeting (AGM) of the Company to be held on Tuesday, 20th September 2016 by sending my/our assent or dissent to the said Resolutions by placing a tick (√) mark at the appropriate box below:

Item No.	Resolution	Type of Resolutions	No. of Shares	(FOR)	(AGAINST)
				I/We assent to the Resolution	I/We dissent the Resolution
	Ordinary Business				
1	Statements of the Company for the financial year ended 31st March, 2016, e and the Reports of the Board of Directors and Auditors thereon.	Ordinary			
2	Appointment of Ms. Ritu Gupta as director of the Company	Ordinary			
3	Ratification of Auditors Appointment and to fix their remuneration	Ordinary			
	Special Business				
4	Appointment of Mr. Surendrakumar Tibrewala as Managing Director of the Company	Special			
5	Appointment of Mr. Sanjay Tibrewala as Wholetime Director of the Company	Special			
6	Approval of contracts with Related Parties	Special			

Place :

Date :

Signature of the Shareholders**Note:** Please read the instructions carefully before exercising your vote.**ELECTRONIC VOTING PARTICULARS.**

Electronic Voting Sequence Number (EVSN)	User Id	Password
160809012	See instruction in the Notice	See instruction in the Notice

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A Member can opt for only one mode of voting ie. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
4. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form:

1. Please complete and sign the Ballot Form (no other form or photo copy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company. Mr. Nitin Sarfare, Practicing Company Secretary (Membership No. 36769/CP. No. 13729), C/o. Bigshare Services Private Limited, E-2, Ensa Industrial Estate, Saki Vihar Road, Saki Naka, Mumbai 400072. The Form should be signed by the Member as per the specimen signature registered with the Company/ Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot is not permitted through proxy.
2. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorisation.
3. Votes should be cast in case of each resolution either in favour or against by putting the tick (✓) mark in the column provided in the Ballot.
4. The voting rights of shareholders shall be in proportion of the share held by them in the paid up equity share capital of the company as on 13th September, 2016 and as per the Register of Members of the Company.
5. Duly completed Ballot Form should reach the Scrutinizer not later than Monday, 19th September, 2016 (6.p.m.IST) Ballot Form received after 19th September, 2016 will be strictly treated as if the reply from the Member has not been received.
6. A Member may request for a duplicate Ballot Form, If so required. However, duly filled in and signed duplicate form should reach the Scrutinizer not later than the date and time specified in serial No.6 above.
7. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected, A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
8. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
9. The results shall be placed on the Company's website www.fineotex.com within two days of the AGM of the Company on 20th September, 2016, and communicated to Stock Exchange where the shares of the Company are listed.

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FINEOTEX CHEMICAL LIMITED

Regd. Office : 42/43, Manorama Chambers, S V Road, Bandra (West), Mumbai 400050

Corporate Identity Number : L24100MH2004PLC144295; Website : www.fineotex.com, E-Mail : info@fineotex.com

FORM NO.MGT - 11

PROXY FORM

(Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and the Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name(s) of the Member(s) :

Registered Address :

E-mail ID :

Folio No./Client ID:

DP/ID:

**Affix
Revenue
Stamp**

I/We being the Member(s) of _____ equity shares of Rs. 2 each of Fineotex Chemical Limited, hereby appoint :

1. Name _____
Address : _____
E-Mail ID: _____ Signature _____, or failing him
2. Name _____
Address : _____
E-Mail ID: _____ Signature _____, or failing him
3. Name _____
Address : _____
E-Mail ID: _____ Signature _____,

as my/our proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the 13th Annual General meeting of the Corporation, to be held on Tuesday 20th September, 2016 at 10.00 a.m. at Rajpuria Baugh, Navinbhai Thakkar Marg, Vile Parel (East), Mumbai 400057 and at any adjournment(s) thereof, in respect of the resolution, as indicated below.

Resolution Nos.:-

Item No.	Resolution	Type of Resolutions	No. of Shares	(FOR)	(AGAINST)
				I/We assent to the Resolution	I/We dissent the Resolution
	Ordinary Business				
1	Adoption of Audited Financial Statements of the Company for the financial year ended 31st March, 2016, e and the Reports of the Board of Directors and Auditors thereon.	Ordinary			
2	Appointment of Ms. Ritu Gupta as director of the Company	Ordinary			
3	Ratification of Auditors Appointment and to fix their remunration	Ordinary			
	Special Business				
4	Appointment of Mr.Surendrakumar Tibrewala as Managing Director	Special			
5	Appointment of Mr.Sanjay Tibrewala as Wholetime Director	Special			
6	Approval of Contracts with Related Parties	Special			

Signed, this _____ day of ____, 2016

Signature of Member(s) : _____

Signature of the Proxy holder(s) : _____

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting - before 10.00 a.m. on 18th September,2016.



FINEOTEX CHEMICAL LIMITED

Regd. Office : 42/43, Manorama Chambers, S V Road, Bandra (West), Mumbai 400050

Corporate Identity Number : L24100MH2004PLC144295: Website : www.fineotex.com, E-Mail : info@fineotex.com

ATTENDANCE SLIP

(Please hand over at the entrance of the Meeting hall)

13th Annual General Meeting - 20 th September, 2016

I hereby record my presence at the 13th ANNUAL GENERAL MEETING of the Company held at Rajpuria Baug, Navinbhai Thakkar Marg, Vile Parle (East), Mumbai 400057 on Tuesday, 20 th September, 2016 at 10.00 a.m.

Name of Attending Member
(in BLOCK LETTERS)

Signature

Name of the proxy/Authorised Representative

Signature

ELECTRONIC VOTING PARTICULARS.

Electronic Voting Sequence Number (EVSN)	User Id	Password
160809012	See instructions in the Notice	See instructions in the Notice