



FAIRCHEM

A FAIRFAX COMPANY

Date: August 08, 2019

FAIRCHEM SPECIALITY LIMITED

Works & Office : 253/P & 312, Village -Chekhala, Sanand - Kadi Highway,

Taluka : Sanand, Dist.: Ahmedabad 382 115. INDIA.

Phone (Board Nos.) : +91 90163 24095 / +91 94099 58550

E-mail : info@fairchem.in, comm@fairchem.in

CIN : L15140MH1985PLC286828

Website : www.fairchem.in

To,

National Stock Exchange of India Ltd.

Exchange Plaza,

Plot no. C/1, G Block, Bandra-kurla Complex

Bandra (E)

Mumbai – 400 051.

To,

Department of Corporate Services,

BSE Limited.

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400 001.

Ourselves : BSE Code: 530117 and NSE Symbol: 'FAIRCHEM'

Dear Sirs,

Sub.: Outcome of the meeting of the Board of Directors held on August 08, 2019 pursuant to Regulation 30 & 33(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

With reference to above, we wish to inform you that we have placed on BSE Listing Centre (for BSE) and NEAPS (for NSE), the following as required under Regulation 30 and 33(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Statement in prescribed format (Annexure I) containing Standalone and Consolidated Unaudited Financial Results for the quarter ended June 30, 2019,
2. Two Separate Reports dated August 08, 2019 of M/s. Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants, Statutory Auditors of the Company on Limited Review of (i) Standalone and (ii) Consolidated Financial Results for the Quarter ended June 30, 2019

These results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their Meetings held today.

Please find the above in order and take the same on your record.

Thanking you,

Yours faithfully,

For Fairchem Speciality Limited,

Rajen Jhaveri

Chief Financial Officer & Company Secretary

Encl: as above



FAIRCHEM SPECIALITY LIMITED

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CIN: L15140MH1985PLC286828

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

		(Rs. In Lakhs)			
		Quarter ended			Year ended
		30-Jun-2019 (Unaudited)	31-Mar-2019 (Unaudited) (Refer Note 3)	30-Jun-2018 (Unaudited)	31-Mar-2019 (Audited)
I	Income				
	Revenue from Operations	7,121.62	5,906.51	6,287.72	24,987.09
II	Other Income	10.79	0.97	35.55	435.16
III	Total Income (I + II)	7,132.41	5,907.48	6,323.27	25,422.25
IV	Expenses				
	Cost of materials consumed	4,385.40	4,440.75	4,849.21	17,381.47
	Purchase of Stock-in-Trade	-	15.08	-	15.08
	Changes in Inventories of Finished Goods and Work-in-Progress	508.77	(592.13)	(586.34)	(868.92)
	Excise Duty	-	-	-	-
	Employee benefits expense	396.65	381.46	383.56	1,517.38
	Finance costs	142.14	141.03	144.29	573.49
	Power and Fuel	391.76	432.74	439.24	1,744.07
	Depreciation and Amortisation expenses	151.72	142.86	128.54	544.59
	Other Expenses	411.14	481.87	321.11	1,593.08
	Total expenses	6,387.58	5,443.66	5,679.61	22,500.24
V	Profit Before Tax (III - IV)	744.83	463.82	643.66	2,922.01
VI	Tax expense				
	Current Tax	215.83	68.65	171.47	586.93
	Deferred Tax	16.17	79.42	16.57	183.32
VII	Profit for the period after tax (V - VI)	512.83	315.75	455.62	2,151.76
VIII	Other Comprehensive Income (OCI)	(2.71)	(6.98)	(9.52)	(20.92)
IX	Total Comprehensive Income (VII + VIII)	510.12	308.77	446.10	2,130.84
X	Paid -up Equity Share Capital (Face Value of Rs. 10/- each)	3,906.27	3,906.27	3,760.98	3,906.27
XI	Earning Per Share (EPS) of Rs. 10/- each (Not annualised) (In Rs.)				
	Basic	1.31	0.81	1.17	5.51
	Diluted	1.31	0.81	1.17	5.51

For and on behalf of the Board of Directors,
For Fairchem Speciality Limited,

Nahoosh Jariwala
Managing Director
(DIN: 00012412)

Mahesh Babani
Managing Director
(DIN: 00051162)

Place : Mumbai
Date : 8th August, 2019



Notes:

1. The above standalone unaudited financial results as reviewed by Audit Committee are subsequently approved by the Board of Directors at their meeting held on 8th August, 2019. The Statutory Auditors have performed limited review of Company's standalone unaudited financial results for the quarter ended 30th June, 2019.
2. The Company has adopted Ind AS 116 'Leases' w.e.f. 1st April, 2019. The adoption of this standard does not have any significant impact on the standalone Profit after tax for the quarter ended 30th June, 2019.
3. The figures of the quarter ended 31st March, 2019 are the balancing figures between audited figures in respect of the full period of twelve months ended as at 31st March, 2019 and the unaudited published year to date figures up to 31st December, 2018, being the date of the end of the third quarter of the financial year.
4. Other Income for the year ended 31st March, 2019 includes dividend on equity shares received from Privi Organics India Ltd., a wholly owned subsidiary of the company, of Rs. 375.00 Lakhs;
5. The Company is engaged in the business of manufacturing of speciality chemicals viz. Oleo Chemicals and Intermediate Nutraceuticals. As such the company's business falls within a single business segment of Speciality Chemicals, in context of Ind AS 108 - Operating Segments.
6. The Board of Directors of the Company, in its meeting held on 22nd May, 2019, had approved a Composite Scheme of arrangement and amalgamation ('the Scheme') amongst Fairchem Speciality Limited (FSL), Fairchem Organics Limited (FOL) and Privi Organics India Limited (POIL), two wholly owned subsidiaries of the Company and their respective shareholders for Demerger of FSL's undertaking carrying on speciality oleo chemicals and nutraceuticals business and vesting the same into FOL and Amalgamation of POIL, manufacturers of aroma chemicals, into and with FSL, under sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013. The Company has filed with the stock exchanges an application under Regulation 37 of SEBI (LODR regulations), 2015 for approval of the said Scheme.
7. The figures for the previous period have been regrouped/ recast, wherever necessary, to make them comparable with the figures for the current period.
8. Investors can view the unaudited standalone financial results of the company for the quarter ended 30th June, 2019 on the company's website www.fairchem.in or on the website of the BSE www.bseindia.com or on the website of NSE www.nseindia.com.

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



**Nahoosh Jariwala
Managing Director
(DIN : 00012412)**



**Mahesh Babani
Managing Director
(DIN : 00051162)**

**Place: Mumbai
Date: 8th August, 2019**



Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Fairchem Speciality Limited
324, Dr. D.N. Road, Fort,
Mumbai - 400001

1. We have reviewed the unaudited standalone financial results of Fairchem Speciality Limited (the "Company") for the quarter ended June 30, 2019 which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2019' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009


Priyanshu Gandana
Partner

Membership Number: 109553

UDIN: 19109553AAAAA05956

Place: Mumbai
Date: August 8, 2019

Price Waterhouse & Co Chartered Accountants LLP, 1701, 17th Floor, Shapath V, Opp. Karnavati Club
SG Highway, Ahmedabad - 380 051, Gujarat, India
T: +91 (79) 3091 7000, F: +91 (79) 3091 7082

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)



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CIN: L15140MH1985PLC286828

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

		(Rs. In Lakhs)			
		Quarter ended			Year ended
		30-Jun-2019 (Unaudited)	31-Mar-2019 (Unaudited) (Refer Note 3)	30-Jun-2018 (Unaudited)	31-Mar-2019 (Audited)
I	Income				
	Revenue from Operations	45,219.53	44,154.96	23,893.44	1,34,104.13
II	Other Income	452.07	430.47	51.85	570.08
III	Total Income (I + II)	45,671.60	44,585.43	23,945.29	1,34,674.21
IV	Expenses				
	Cost of materials consumed	28,543.23	26,606.19	15,739.18	92,468.34
	Purchase of Stock-in-Trade	-	15.08	-	15.08
	Changes in Inventories of Finished Goods and Work-in-Progress	(305.33)	(1,866.88)	(410.80)	(9,795.16)
	Employee benefits expense	1,930.65	2,214.72	1,671.46	7,127.04
	Finance costs	886.26	1,016.57	532.09	2,901.46
	Power and Fuel	2,194.64	1,946.10	1,495.13	7,058.47
	Depreciation and Amortisation expenses	1,439.19	1,203.42	1,143.09	4,685.40
	Other Expenses	5,273.42	6,408.91	2,220.39	15,962.38
	Total expenses	39,962.06	37,544.11	22,390.54	1,20,423.01
V	Profit Before Exception Item and Tax (III - IV)	5,709.54	7,041.32	1,554.75	14,251.20
VI	Exceptional Income/(Expenses) [Refer Note 7]	-	1,958.91	(6,950.42)	904.78
VII	Profit / (Loss) Before Tax [V + VI]	5,709.54	9,000.23	(5,395.67)	15,155.98
VIII	Tax expense				
	Current Tax	1,747.02	3,230.03	219.48	5,029.49
	Tax adjustment of earlier year	-	2.92	-	16.13
	Deferred Tax	294.01	485.28	(2,156.35)	685.99
IX	Profit for the period after tax (VII - VIII)	3,668.51	5,282.00	(3,458.80)	9,424.37
X	Other Comprehensive Income (OCI)	(21.45)	(19.93)	34.09	(16.02)
XI	Total Comprehensive Income (IX + X)	3,647.06	5,262.07	(3,424.71)	9,408.35
XII	Paid -up Equity Share Capital (Face Value of Rs. 10/- each)	3,906.27	3,906.27	3,760.98	3,906.27
XIII	Earning Per Share (EPS) of Rs. 10/- each (Not annualised) (In Rs.)				
	Basic	9.39	13.52	(8.85)	24.13
	Diluted	9.39	13.52	(8.85)	24.13

For and on behalf of the Board of Directors,
For Fairchem Speciality Limited,


Nahoosh Jariwala
Managing Director
(DIN: 00012412)


Mahesh Babani
Managing Director
(DIN: 00051162)

Place : Mumbai
Date : 8th August, 2019



Notes:

- The above Consolidated financial results comprise the results of Fairchem Speciality Limited (the Holding Company), Privi Organics India Limited (POIL) (Wholly owned Subsidiary Company), Privi Biotechnologies Private Limited (Wholly owned Subsidiary of POIL), Privi Organics USA Corporation (Wholly owned Subsidiary of POIL) and Fairchem Organics Limited (Wholly owned Subsidiary Company w.e.f. 27th March, 2019).
- The Company and its subsidiaries are engaged in the business of speciality chemicals viz. Oleo Chemicals and Intermediate Nutraceuticals and Aroma chemicals. As such the company and its subsidiaries' business falls within a single business segment of Speciality Chemicals, in context of Ind AS 108 - Operating Segments.
- The figures of the quarter ended 31st March, 2019 are the balancing figures between audited figures in respect of the full period of twelve months ended on 31st March, 2019 and the unaudited published year to date figures up to 31st December, 2018, being the date of the end of the third quarter of the financial year.
- The above consolidated unaudited financial results as reviewed by Audit Committee are subsequently approved by the Board of Directors at their meeting held on 8th August, 2019. The Statutory Auditors have performed limited review of Company's consolidated unaudited financial results for the quarter ended 30th June, 2019.
- The Company and its subsidiaries have adopted Ind AS 116 'Leases' w.e.f. 1st April, 2019 using the modified retrospective approach. The Company and its subsidiaries have applied the standard to its leases with the cumulative impact recognised on the date of initial application i.e., 1st April, 2019. Accordingly previous period information has not been restated. This has resulted, in case of POIL, in recognizing a right-of-use assets of Rs. 893.41 Lakhs and a corresponding lease liability of Rs. 913.28 Lakhs. The difference of Rs. 12.92 Lakhs (net of deferred tax asset created for Rs. 6.95 Lakhs) has been adjusted to retained earnings as at 1st April, 2019. In the statement of profit and loss for the quarter ended 30th June, 2019, operating lease expenses which were recognized as other expenses in previous periods are now recognized as depreciation expense for the right-of-use asset and finance cost for interest on lease liability. The adoption of this standard does not have any significant impact on the consolidated Profit after tax for the quarter ended 30th June, 2019.
- The figures for the previous period have been regrouped/ recast, wherever necessary, to make them comparable with the figures for the current period.
- On 26th April, 2018 a major fire broke out at Privi Organics India Limited's (POIL) Unit 2 Plant located at MIDC Mahad. There has been loss to assets comprising of Inventories, Buildings, Plant and Machinery and other Fixed Assets etc. which were adequately insured including coverage towards loss of profit and replacement cost of fixed assets. As per POIL Management's best estimate, the book value of the assets lost due to fire including incidental cost and other expenses is Rs. 7,282.27 Lakhs for the year ended 31st March, 2019, which was debited to the statement of profit and loss and disclosed as an exceptional Item and netted off with insurance claim of Rs. 8,187.05 lakhs received from the insurance company, which has been recognised as per the requirement of the accounting standards. The final settlement is still pending with the insurance company.
- The Board of Directors of the Company, in its meeting held on 22nd May, 2019, had approved a Composite Scheme of arrangement and amalgamation ('the Scheme') amongst Fairchem Speciality Limited (FSL), Fairchem Organics Limited (FOL) and Privi Organics India Limited (POIL), two wholly owned subsidiaries of the Company and their respective shareholders for Demerger of FSL's undertaking carrying on speciality oleo chemicals and nutraceuticals business and vesting the same into FOL and Amalgamation of POIL, manufacturers of aroma chemicals, into and with FSL, under sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013. The Company has filed with the stock exchanges an application under Regulation 37 of SEBI (LODR regulations), 2015 for approval of the said Scheme.
- Summary of key **standalone** financial results are as follows.

(Rs. In Lakhs)

Particulars	Quarter ended			Year ended
	30-Jun-2019	31-Mar-2019	30-Jun-2018	31-Mar-2019
	(Unaudited)	(Unaudited) (Refer note 3)	(Unaudited)	(Audited)
Revenue from Operations	7,121.62	5,906.51	6,287.72	24,987.09
Profit before tax	744.83	463.82	643.66	2,922.01
Profit after tax	512.83	315.75	455.62	2,151.76

- Investors can view the unaudited consolidated financial results of the company for the quarter ended 30th June, 2019 on the company's website www.fairchem.in or on the website of the BSE www.bseindia.com or on the website of NSE www.nseindia.com.

For and on behalf of the Board of Directors,
For, Fairchem Speciality Limited,


Nahoosh Jariwala
Managing Director
(DIN : 00012412)


Mahesh Babani
Managing Director
(DIN : 00051162)

Place: Mumbai
Date: 8th August, 2019



Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Fairchem Speciality Limited
324, Dr. D.N. Road, Fort,
Mumbai - 400001

1. We have reviewed the unaudited consolidated financial results of Fairchem Speciality Limited (the "Parent") and its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group") [(refer Note 1 on the Statement)] for the quarter ended June 30, 2019 which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2019' (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - Fairchem Speciality Limited (Parent Company)
 - Fairchem Organics Limited (Subsidiary Company)
 - Privi Organics India Limited (Subsidiary Company)
 - Privi Biotechnologies Private Ltd (Step down Subsidiary Company)
 - Privi Organics USA Corporation (Step down Subsidiary Company)



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Price Waterhouse & Co Chartered Accountants LLP

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of one subsidiary and two step down subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 38,097.91 lakhs, total net profit after tax of Rs. 3,155.68 lakhs and total comprehensive income of Rs. 3,136.94 lakhs, for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors, and their report dated August 8, 2019, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009


Priyanshu Gundana
Partner

Membership Number: 109553
UDIN: 19109553 AA AA JV 1173

Place: Mumbai
Date: August 8, 2019