



FAIRCHEM
A FAIRFAX COMPANY

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

Date: November 14, 2019

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 November 14, 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 & IX) containing Standalone and Consolidated Unaudited Financial Results and cash flow statement for the quarter and six months ended September 30, 2019,
2. Two Separate Reports dated November 14, 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 and six months ended September 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

Regd. Office: Plot No. A-71, TTC, Thane-Belapur Road, Near Kopar Khairane, NAVI MUMBAI-400 709

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CIN: L15140MH1985PLC286828

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2019

		Quarter ended			Six Months ended		(Rs. In Lakhs)
		30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	Year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31-Mar-2019
							(Audited)
I	Income						
	Revenue from Operations	6,569.84	7,121.62	5,364.76	13,691.46	11,652.48	24,987.09
II	Other Income (Refer Note 3)	625.31	10.79	395.35	636.10	430.90	435.16
III	Total Income (I + II)	7,195.15	7,132.41	5,760.11	14,327.56	12,083.38	25,422.25
IV	Expenses						
	Cost of materials consumed	4,353.60	4,385.40	3,124.54	8,739.00	7,973.75	17,381.47
	Purchase of Stock-in-Trade	-	-	-	-	-	15.08
	Changes in Inventories of Finished Goods and Work-in-Progress	63.84	508.77	388.68	572.61	(197.66)	(868.92)
	Employee benefits expense	382.06	396.65	383.53	778.71	767.09	1,517.38
	Finance costs	133.16	142.14	142.64	275.30	286.93	573.49
	Power and Fuel	453.66	391.76	362.74	845.42	801.98	1,744.07
	Depreciation and Amortisation expenses	155.95	151.72	130.55	307.67	259.09	544.59
	Other Expenses	415.49	411.14	375.58	826.63	696.69	1,593.08
	Total expenses	5,957.76	6,387.58	4,908.26	12,345.34	10,587.87	22,500.24
V	Profit Before Tax (III - IV)	1,237.39	744.83	851.85	1,982.22	1,495.51	2,922.01
VI	Tax expense (Refer Note 6)						
	Current Tax	145.17	215.83	89.96	361.00	261.43	586.93
	Deferred Tax	(112.58)	16.17	50.51	(96.41)	67.08	183.32
	Total Tax expense	32.59	232.00	140.47	264.59	328.51	770.25
VII	Profit for the period after tax (V - VI)	1,204.80	512.83	711.38	1,717.63	1,167.00	2,151.76
VIII	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss:						
	- Remeasurement (losses) / gains on post employment defined benefit plans	(2.46)	(3.82)	4.73	(6.28)	(8.70)	(29.52)
	- Income tax effect	0.47	1.11	(1.38)	1.58	2.53	8.60
	Other comprehensive income for the year / period, net of tax	(1.99)	(2.71)	3.35	(4.70)	(6.17)	(20.92)
IX	Total Comprehensive Income (VII + VIII)	1,202.81	510.12	714.73	1,712.93	1,160.83	2,130.84
X	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	3,906.27	3,906.27	3,906.27	3,906.27	3,906.27	3,906.27
XI	Earning Per Share (EPS) of Rs. 10/- each (Not annualised) (In Rs.)						
	Basic	3.08	1.31	1.82	4.39	2.99	5.51
	Diluted	3.08	1.31	1.82	4.39	2.99	5.51

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

Place : Mumbai
Date : 14th November, 2019

Nahoosh Jariwala
Managing Director
(DIN: 00012412)

Mahesh Babani
Managing Director
(DIN: 00051162)

For Fairchem Speciality Limited

For Fairchem Speciality Limited



Nahoosh Jariwala
Managing Director

Mahesh Babani
Managing Director



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STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2019

		(Rs. in Lakhs)	
		As At	
		30-Sep-2019	31-Mar-2019
		(Unaudited)	(Audited)
A	Assets		
1	Non-Current Assets		
(a)	Property, Plant and Equipment	11,729.82	11,524.25
(b)	Capital work-in-progress	312.32	87.91
(c)	Financial Assets		
(i)	Investments	2.00	2.00
(ii)	Loans	1.16	1.51
(iii)	Other Financial Assets	22.31	13.78
(d)	Non-Current Tax Assets (Net)	42.04	59.55
(e)	Other Non-Current Assets	755.75	125.67
		12,865.40	11,814.67
2	Current Assets		
(a)	Inventories	2,490.39	3,400.62
(b)	Financial Assets		
(i)	Trade Receivables	3,170.92	3,213.13
(ii)	Cash and cash equivalents	0.87	1.64
(iii)	Bank balances other than (ii) above	19.02	16.53
(iv)	Loans	2.49	0.74
(v)	Other Financial Assets	45.44	92.32
(c)	Other Current Assets	105.43	233.41
		5,834.56	6,958.39
	Total Assets	18,699.96	18,773.06
B	Equity And Liabilities		
	Equity		
(a)	Equity Share Capital	3,906.27	3,906.27
(b)	Other Equity	7,019.42	6,355.32
		10,925.69	10,261.59
	Liabilities		
1	Non- Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	1,384.85	829.14
(b)	Provisions	126.84	89.54
(c)	Deferred Tax Liabilities (Net)	1,117.75	1,215.74
		2,629.44	2,134.42
2	Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	2,946.04	4,049.00
(ii)	Trade Payables		
(a)	Total outstanding dues of micro enterprises and small enterprises	48.47	57.74
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	695.34	942.23
(iii)	Other financial liabilities	1,107.93	1,123.80
(b)	Other current liabilities	68.48	83.19
(c)	Provisions	65.91	57.50
(d)	Current Tax Liabilities (Net)	212.66	63.59
		5,144.83	6,377.05
	Total Equity and Liabilities	18,699.96	18,773.06



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 : 14th November, 2019



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STATEMENT OF UNAUDITED STANDALONE CASH FLOWS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2019

(Rs. In Lakhs)

	Period ended on	Period ended on
	September 30, 2019	September 30, 2018
	(Unaudited)	(Refer Note 7)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Taxation	1,982.22	1,495.51
Adjustments for:		
Depreciation and Amortisation	307.67	259.09
Finance Cost	275.30	286.93
Interest Income	(10.15)	(8.11)
Dividend Income	(625.00)	(375.00)
Unrealised Foreign Exchange (Gain)	(4.64)	(9.07)
(Gain) / Loss on assets sold / discarded (Net)	0.72	(9.52)
Operating Profit Before Working Capital Changes	1,926.12	1,639.83
Adjustments For Changes In Working Capital:		
(Increase) / Decrease In Inventories	910.23	(301.76)
Decrease In Non Current Loans	0.35	-
(Increase) In Other Non Current Financial Assets	(8.53)	(0.34)
Decrease In Trade receivables	46.85	263.37
(Increase) In Current Loans	(1.75)	(0.76)
Decrease In Other Current Financial Assets	46.39	220.40
Decrease In Other current assets	127.98	31.01
Decrease In Other Non current assets	-	0.17
(Decrease) In Trade and Other Payables	(256.16)	(90.94)
Increase In Non Current Liabilities - Provisions	37.30	9.58
Increase In Current Liabilities - Provisions	8.41	22.58
Increase / (Decrease) In Other Current Financial Liabilities	(54.42)	72.72
Increase / (Decrease) In Other Current Liabilities	(14.71)	39.32
Cash Generated From Operations	2,768.06	1,905.18
Direct Taxes Paid (Net)	(194.42)	(152.28)
A. Net Cash Generated From Operating Activities	2,573.64	1,752.90
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(1,395.13)	(874.99)
Proceeds from Sale of Fixed Assets	2.16	12.82
Interest Income	10.64	7.85
Dividend Income	625.00	375.00
B. Net Cash Used In Investing Activities	(757.33)	(479.32)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Borrowings (net)	1,033.66	-
Repayment of Long Term Borrowings (net)	(425.95)	(576.66)
Net Proceeds / (Repayment) of Short Term Borrowings (net)	(1,102.96)	198.41
Dividend Paid (including tax on dividend)	(1,048.83)	(603.03)
Interest Paid	(273.00)	(290.84)
C. Net Cash Used In Financing Activities	(1,817.08)	(1,272.12)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(0.77)	1.46
Cash and Cash Equivalents as at the beginning of the period	1.64	2.01
Cash and Cash Equivalents as at the end of the period	0.87	3.47
Note:		
1	The above Statement of Cash flows has been prepared under the "Indirect Method" set out in Ind AS 7 - "Statement of Cash Flows"	



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

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

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

Place : Mumbai
Date : 14th November, 2019

Notes:

1. The above standalone unaudited financial results as reviewed by Audit Committee are subsequently approved by the Board of Directors at their meetings held on 14th November, 2019. The Statutory Auditors have performed limited review of Company's standalone unaudited financial results for the quarter and six months ended 30th September, 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 financial results for the quarter and six months ended 30th September, 2019.
3. Other Income includes dividend on equity shares received from Privi Organics India Ltd., a wholly owned subsidiary of the Company, of Rs. 625.00 Lakhs in quarter and six months ended 30th September, 2019 and Rs. 375.00 Lakhs in quarter and six months ended 30th September, 2018.
4. 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.
5. 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 obtained approval of the said scheme from the stock exchanges. Further, the Company has also filed the said scheme with National Company Law Tribunal (NCLT).
6. The Company has elected to exercise the option under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The impact of this change has been recognised proportionately in tax expenses of the quarter and half year ended 30th September 2019 at the estimated annual effective tax rate. This has resulted in reversal of current and deferred tax expenses of Rs. 29.29 Lakhs and Rs. 167.04 Lakhs respectively.
7. The comparative figures for cash flows for the corresponding six months ended 30th September, 2018 have been prepared by management, reviewed by the Audit Committee of the Company and approved by the Company's Board of Directors at their respective meetings held on 14th November, 2019, but have not been subjected to review by the statutory auditors as the mandatory requirement for limited review of cash flows has been made applicable for periods beginning 1st April, 2019, pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
8. The figures for the previous periods have been regrouped/ recast, wherever necessary, to make them comparable with the figures for the current period.
9. Investors can view the unaudited standalone financial results of the company for the quarter and six months ended 30th September, 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,

Place: Mumbai
Date: 14th November, 2019

Nahoosh Jariwala
Managing Director
(DIN : 00012412)

Mahesh Babani
Managing Director
(DIN : 00051162)

For Fairchem Speciality Limited

For Fairchem Speciality Limited




Nahoosh Jariwala
Managing Director


Mahesh Babani
Managing Director

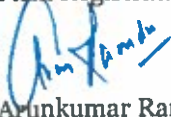
Price Waterhouse & Co Chartered Accountants LLP

Review Report

To
The Board of Directors
Fairchem Speciality Limited
Plot No. A- 71, TTC
Thane Belapur Road
Near Kopar Khairane
Navi Mumbai – 400709

1. We have reviewed the unaudited standalone financial results of Fairchem Speciality Limited (the “Company”) for the quarter ended 30th September, 2019 and the year to date results for the period 1st April, 2019 to 30th September, 2019 which are included in the accompanying ‘Statement of Unaudited Standalone Financial Results for the Quarter and Six Months ended 30th September, 2019’ and the statement of assets and liabilities as on that date and the statement of cash flows for the half-year ended on that date (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. Attention is drawn to the fact that the statement of cash flows for the corresponding period from 1st April, 2018 to 30th September, 2018, as reported in the Statement have been approved by the Company’s Board of Directors, but have not been subjected to review. 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 and Co Chartered Accountant LLP
Firm Registration Number: 304026E/E-300009



Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 19112433AAAACC2309
Place: Mumbai
Date: 14th November, 2019

Price Waterhouse & Co Chartered Accountants LLP, 1701, 17th Floor, Shapath V, Opp. Karnavati Club
S G 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 AND SIX MONTHS ENDED 30TH SEPTEMBER, 2019

	(Rs. In Lakhs)					
	Quarter ended			Six Months ended		Year ended
	30-Sep-2019 (Unaudited)	30-Jun-2019 (Unaudited)	30-Sep-2018 (Unaudited)	30-Sep-2019 (Unaudited)	30-Sep-2018 (Unaudited)	31-Mar-2019 (Audited)
I Income						
Revenue from Operations	38,986.67	45,219.53	28,232.75	84,206.20	52,126.19	1,34,104.13
II Other Income	1,168.78	452.07	72.21	1,620.85	124.06	570.08
III Total Income (I + II)	40,155.45	45,671.60	28,304.96	85,827.05	52,250.25	1,34,674.21
IV Expenses						
Cost of materials consumed	29,078.33	28,543.23	23,206.00	57,621.56	38,945.18	92,468.34
Purchase of Stock-in-Trade	-	-	-	-	-	15.08
Changes in Inventories of Finished Goods and Work-in-Progress	(3,677.26)	(305.33)	(5,593.32)	(3,982.59)	(6,004.12)	(9,795.16)
Employee benefits expense	2,002.69	1,930.65	1,563.04	3,933.34	3,234.50	7,127.04
Finance costs	755.80	886.26	615.14	1,642.06	1,147.23	2,901.46
Power and Fuel	2,027.65	2,194.64	1,680.82	4,222.29	3,175.95	7,058.47
Depreciation and Amortisation expenses	1,416.73	1,439.19	1,152.07	2,855.92	2,295.16	4,685.40
Other Expenses	5,033.78	5,273.42	4,399.05	10,307.20	6,619.44	15,962.38
Total expenses	36,637.72	39,962.06	27,022.80	76,599.78	49,413.34	1,20,423.01
V Profit Before Exceptional Item and Tax (III - IV)	3,517.73	5,709.54	1,282.16	9,227.27	2,836.91	14,251.20
VI Exceptional Income/(expenses) [refer note 6]	2,500.00	-	(238.61)	2,500.00	(7,189.03)	904.78
VII Profit / (Loss) Before Tax (V + VI)	6,017.73	5,709.54	1,043.55	11,727.27	(4,352.12)	15,155.98
VIII Tax expense (Refer Note 8)						
Current Tax	1,331.21	1,747.02	160.05	3,078.23	379.53	5,029.49
Tax adjustment of earlier year	-	-	-	-	-	16.13
Deferred Tax	(688.82)	294.01	309.82	(394.81)	(1,846.53)	685.99
Total Tax expense	642.39	2,041.03	469.87	2,683.42	(1,467.00)	5,731.61
IX Profit / (Loss) for the period after tax (VII - VIII)	5,375.34	3,668.51	573.68	9,043.85	(2,885.12)	9,424.37
X Other Comprehensive Income						
Items that will not be reclassified to profit or loss:						
- Remeasurement (losses) / gains on post employment defined benefit plans	(16.97)	(24.69)	(9.74)	(41.66)	(28.08)	(90.21)
- Income tax effect	2.09	8.40	3.22	10.49	8.85	29.81
Items that will be reclassified to profit or loss:						
- Exchange differences in translating financial statements of foreign operations	36.68	(5.16)	64.25	31.52	111.05	44.38
Other comprehensive income for the year / period, net of tax	21.80	(21.45)	57.73	0.35	91.82	(16.02)
XI Total Comprehensive Income (IX + X)	5,397.14	3,647.06	631.41	9,044.20	(2,793.30)	9,408.35
XII Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	3,906.27	3,906.27	3,906.27	3,906.27	3,906.27	3,906.27
XIII Earning Per Share (EPS) of Rs. 10/- each (Not annualised) (In Rs.)						
Basic	13.76	9.39	1.47	23.15	(7.39)	24.13
Diluted	13.76	9.39	1.47	23.15	(7.39)	24.13

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

Place : Mumbai
Date : 14th November, 2019

Nahoosh Jariwala
Managing Director
(DIN: 00012412)

Mahesh Babani
Managing Director
(DIN: 00051162)



For Fairchem Speciality Limited

Nahoosh Jariwala
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		(Rs. in Lakhs)	
		As At	
		30-Sep-2019	31-Mar-2019
		(Unaudited)	(Audited)
A	Assets		
1	Non-Current Assets		
(a)	Property, Plant and Equipment	57,711.93	48,897.83
(b)	Capital work-in-progress	7,595.93	9,465.72
(c)	Intangible assets	737.24	869.50
(d)	Right to use Assets	773.28	-
(e)	Financial Assets		
(i)	Loans	804.29	807.62
(ii)	Other Financial Assets	358.82	339.80
(f)	Non-Current Tax Assets (Net)	1,241.57	1,216.31
(g)	Other Non-Current Assets	1,661.52	867.28
		70,884.58	62,464.06
2	Current Assets		
(a)	Inventories	38,943.42	36,423.72
(b)	Financial Assets		
(i)	Trade Receivables	27,703.30	33,069.46
(ii)	Cash and cash equivalents	1,156.68	1,626.20
(iii)	Bank balances other than (ii) above	513.76	687.11
(iv)	Loans	42.83	58.26
(v)	Other Financial Assets	45.44	92.32
(c)	Other Current Assets	7,872.62	8,147.58
		76,278.05	80,104.65
	Total Assets	1,47,162.63	1,42,568.71
B	Equity And Liabilities		
	Equity		
(a)	Equity Share Capital	3,906.27	3,906.27
(b)	Other Equity	61,516.04	53,659.59
		65,422.31	57,565.86
	Liabilities		
1	Non- Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	17,435.58	18,083.20
(ii)	Lease Liability	723.40	-
(b)	Provisions	1,262.76	1,049.18
(c)	Deferred Tax Liabilities (Net)	2,455.00	2,867.25
		21,876.74	21,999.63
2	Current Liabilities		
(a)	Financial Liabilities		
(i)	Borrowings	30,998.47	28,047.84
(ii)	Trade Payables		
(a)	Total outstanding dues of micro enterprises and small enterprises	48.47	57.74
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	17,481.94	21,397.83
(ii)	Other financial liabilities	8,994.99	10,215.38
(b)	Other current liabilities	590.39	612.08
(c)	Provisions	168.65	151.79
(d)	Current Tax Liabilities (Net)	1,580.67	2,520.56
		59,863.58	63,003.22
	Total Equity and Liabilities	1,47,162.63	1,42,568.71



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 : 14th November, 2019



FAIRCHEM SPECIALITY LIMITED

Regd. Office: Plot No. A-71, TTC, Thane-Belapur Road, Near Kopar Khairane, NAVI MUMBAI-400 709

Works & Office : 253/P & 312, Village Chekhala, Sanand - Kadi Highway, Taluka Sanand, Dist. Ahmedabad - 382 115, Gujarat, INDIA

Ph.: +91 90163 24095, +91 94099 58550, Email Id: cs@fairchem.in; Info@fairchem.in; Website: www.fairchem.in

CIN: L15140MH1985PLC286828

STATEMENT OF UNAUDITED CONSOLIDATED CASH FLOWS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2019

(Rs. In Lakhs)

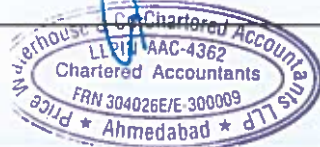
	Period ended on September 30, 2019 (Unaudited)	Period ended on September 30, 2018 (Refer Note 9)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) Before Taxation	11,727.27	(4,352.12)
Adjustments for:		
Loss on Property, Plant & Equipment lost by fire	-	2,226.44
Depreciation and Amortisation	2,855.92	2,295.16
(Gain) on write-back of Financial liabilities	-	(29.94)
Sundry balances written off	9.96	15.47
Finance Cost	1,642.06	1,147.23
Interest Income	(52.96)	(36.35)
Dividend Income	-	(1.89)
Unrealised Foreign Exchange Loss / (Gain)	(633.01)	1,771.05
Fair value (gain) on Investments	-	(12.91)
Provision for doubtful advances	160.00	-
(Gain) / Loss on assets sold / discarded (Net)	0.72	(9.52)
Operating Profit Before Working Capital Changes	15,709.96	3,012.62
Adjustments For Changes In Working Capital:		
(Increase) In Inventories	(2,519.70)	(10,500.75)
Decrease In Trade receivables	5,852.04	1,488.51
(Increase) / Decrease in Other assets	753.87	(1,987.74)
Increase / (Decrease) in Trade payables	(3,987.28)	4,332.79
Increase / (Decrease) in Other current liabilities and Provisions	(578.71)	75.63
Cash Generated From / (Used In) Operations	15,230.18	(3,578.94)
Direct Taxes Paid (Net)	(4,043.38)	(835.96)
A. Net Cash Generated From / (Used In) Operating Activities	11,186.80	(4,414.90)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(10,919.31)	(6,962.87)
Proceeds from Sale of Fixed Assets	2.16	12.82
Proceeds from Sale of Investments	-	313.08
Realisation of fixed deposits	165.35	580.10
Interest Income	53.40	13.75
Dividend Income	-	1.89
B. Net Cash Used In Investing Activities	(10,698.40)	(6,041.23)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Borrowings (net)	1,033.66	4,000.00
Repayment of Long Term Borrowings (net)	(1,997.30)	(2,045.45)
Net Proceeds from Short Term Borrowings (net)	2,753.40	9,990.91
Dividend Paid (Including tax on dividend)	(1,177.30)	(680.11)
Interest Paid	(1,570.38)	(1,135.75)
C. Net Cash Generated From / (Used In) Financing Activities	(957.92)	10,129.60
Net Decrease in cash and cash equivalents (A+B+C)	(469.52)	(326.53)
Cash and Cash Equivalents as at the beginning of the period	1,626.20	1,212.40
Cash and Cash Equivalents as at the end of the period	1,156.68	885.87
Note :		
1 The above Statement of Cash flows has been prepared under the "Indirect Method" set out in Ind AS 7 - "Statement of Cash Flows"		

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 : 14th November, 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 above consolidated unaudited financial results as reviewed by Audit Committee are subsequently approved by the Board of Directors at their meetings held on 14th November, 2019. The Statutory Auditors have performed limited review of Company's consolidated unaudited financial results for the quarter and six months ended 30th September, 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 September, 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 and six months ended 30th September, 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 was 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 Company further received Rs. 2,500 lakhs during the quarter from the Insurance Company. 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 obtained approval of the said scheme from the stock exchanges. Further, the Company has also filed the said scheme with National Company Law Tribunal (NCLT).
- The Company and its subsidiaries have elected to exercise the option under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The impact of this change has been recognised in tax expenses of the quarter and six months ended 30th September 2019 at the estimated annual effective tax rate. This has resulted in reversal of current tax expenses and deferred tax expenses of Rs. 281.70 Lakhs and Rs. 563.60 Lakhs respectively.
- The comparative figures for cash flows for the corresponding six months ended 30th September, 2018 have been prepared by management, reviewed by the Audit Committee of the Company and approved by the Company's Board of Directors at their respective meetings held on 14th November, 2019, but have not been subjected to review by the statutory auditors as the mandatory requirement for limited review of cash flows has been made applicable for periods beginning 1st April, 2019, pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- Summary of key **standalone** financial results are as follows.

(Rs. In Lakhs)

Particulars	Quarter ended			Six Months ended		Year ended
	30-Sep-2019	30-Jun-2019	30-Sep-2018	30-Sep-2019	30-Sep-2018	31-Mar-2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	6,569.84	7,121.62	5,364.76	13,691.46	11,652.48	24,987.09
Profit before Tax	1,237.39	744.83	851.85	1,982.22	1,495.51	2,922.01
Profit after tax	1,204.80	512.83	711.38	1,717.63	1,167.00	2,151.76

- Investors can view the unaudited standalone financial results of the company for the quarter and six months ended 30th September, 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,

Place: Mumbai
Date: 14th November, 2019

Nahoosh Jariwala
Managing Director
(DIN : 00012412)

Mahesh Babani
Managing Director
(DIN : 00051162)

For Fairchem Speciality Limited

For Fairchem Speciality Limited




Nahoosh Jariwala
Managing Director


Mahesh Babani
Managing Director

Price Waterhouse & Co Chartered Accountants LLP

Review Report

To
The Board of Directors
Fairchem Speciality Limited
Plot No. A- 71, TTC
Thane Belapur Road
Near Kopar Khairane
Navi Mumbai – 400709

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 30th September, 2019 and the year to date results for the period 1st April, 2019 to 30th September, 2019 which are included in the accompanying ‘Statement of Unaudited Consolidated Financial Results for the Quarter and Six Months ended 30th September, 2019’ and the unaudited consolidated statement of assets and liabilities as on that date and the consolidated statement of cash flows for the half-year ended on that date (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 (the “Listing Regulations”), which has been initialled by us for identification purposes. Attention is drawn to the fact that the consolidated figures for the Statement of Cash flows for the period from 1st April 2018 to 30th September, 2018, as reported in these consolidated financial results have been approved by the Parent’s Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent’s Management and has been 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.



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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)

Price Waterhouse & Co Chartered Accountants LLP

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)
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 Listing Regulations, 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 assets of Rs. 128,463.68 lakhs and net assets of Rs. 54,497.63 lakhs as at 30th September, 2019 and total revenues of Rs. 32,416.83 lakhs and Rs. 70,514.74 lakhs total net profit after tax of Rs. 4,795.55 lakhs and Rs. 7,951.23 lakhs and total comprehensive income of Rs. 4,819.34 lakhs and Rs. 7,956.28 lakhs, for the quarter ended and for the period from 1st April, 2019 to 30th September, 2019, respectively, and cash flows (net) of Rs. (468.74) lakhs for the period from 1st April, 2019 to 30th September, 2019, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditor, and their report dated 14th November, 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 and Co Chartered Accountant LLP
Firm Registration Number: 304026E/E-300009



Arunkumar Ramdas
Partner

Membership Number: 112433

UDIN: 19112433 AAAACD 1175

Place: Mumbai

Date: 14th November, 2019