



ADI FINECHEM

ADI FINECHEM LTD.

29<sup>th</sup> Annual Report | 2013-2014

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<b>Board of Directors :</b>	Shri Utkarsh B. Shah	<i>Chairman</i>
	Shri Nahoosh J. Jariwala	<i>Managing Director</i>
	Shri Bimal D. Parikh	<i>Wholetime Director</i>
	Shri Hemant N. Shah	<i>Director</i>
	Shri Jayesh K. Shah	<i>Director</i>
	Shri Kalpesh A. Patel	<i>Director</i>
	Shri Nitin R. Patel	<i>Director</i>
	Shri Ganapatraj Chowdhary	<i>Director</i>
	Shri Bhavin A. Shah	<i>Director</i>
<b>Vice President &amp; Company Secretary</b>	Rajen N. Jhaveri	
<b>Bankers</b>	HDFC Bank Limited	
<b>Auditors</b>	M/s. Jhaveri Shah & Co., Chartered Accountants, AHMEDABAD.	
<b>Registered Office</b>	1st Floor, 2-Sigma Corporates, B/h. HOF Living, Sindhu Bhavan Road, Off. S. G. Road, Ahmedabad - 380 059. INDIA. Phone : (079) 32908752 / 29701675	
<b>Works</b>	253/P, Village Chekhala, Sanand- Kadi Road, Ta. SANAND, Dist. AHMEDABAD – 382 115. Phone No. : (02717) 325393 and 294375	
<b>E-Mail</b>	cs@adifinechem.com , rajenjhaveri@adifinechem.com	
<b>Share Transfer Agent</b>	Sharepro Services (India) Pvt. Ltd., 13AB, Samhita Warehousing Complex, 2 <sup>nd</sup> Floor, Sakinaka, Tele. Exchange Lane, Andheri (East), MUMBAI – 400 072.	
<b>Website</b>	www.adifinechem.com	



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## Snapshot: Adi Finechem Ltd.

Incorporated in 1985, Adi Finechem Limited (AFL) formerly known as H.K.Finechem Limited has been a pioneer in the business of manufacturing of speciality fine chemicals viz. Oleochemical and Intermediate Nutraceuticals. The Company has a unique and niche manufacturing process by using by-products or waste products, namely Acid Oil and Deodorizer Distillates, generated during processing of soft vegetable oils of Soya, Sunflower, Corn and Cotton (SSCC) and manufacturing value added high grade of products viz. Linoleic, Distilled, Dimer and Monomer Fatty Acids and also Nutraceutical products like Natural Tocopherol concentrate, whereas globally these products are mainly made using virgin vegetable oils or tall oils. The company has an unparalleled ability in being able to use cost effective inputs which come without stringent specifications and yet be able to produce products that must meet stringent quality criteria.

AFL's fatty acid production finds application in growth industries like Paints, Inks, Soaps, Amines, Adhesives Etc. and its Nutraceutical product, Mixed Natural Tocopherol concentrate, is the only source of Natural Vitamin E and finds usage in Food, Animal Feed, personal care products, supplements, vitamins, etc.

Some of AFL's main clients for its oleochemical products are companies like Asian Paints, Micro Inks, Arkema, etc. and for its nutraceutical products are global Multinational Corporations like BASF (US), ADM (US), TAMA (Japan), RIKEN (Japan).







# Chairman's Message

Dear Shareholders,

Trust all is well !

With the new stable Central Government in place, I am sure that the overall confidence and the positive perception for our nation in the mindset of people at large will get rejuvenated. I am confident that with pragmatic Government in centre, there will be series of proactive economic measures and pronouncements which will put the economy back on the path of progressive growth and development. I am optimist about the overall vibrant industrial development scenario and hence the sentiments are bound to improve in times to come.

We, at Adi Finechem, have always focused on optimizing the use of natural products by nurturing the nature & environment for achieving dynamic natural growth. The company work culture and operations are based on the strong core values of transparency, ethical & moral practices, dedication, persistency and integrity. On these strong principles of best corporate governance practices, I would like to ensure that all stakeholders of the Adi Finechem family benefit from its growth and contribute in nation building.

Your company performed well in the challenging global economic scenario. Your company's initiative such as capacity expansion, maintaining optimum utilization level of plant and improved product mix has helped the company in creating a platform for a sustainable value creation in the future.

The year 2013-14 has been a very satisfying year for the company. In terms of financials, the total income of the company grew 23%, EBITDA grew by 90% and net profit grew by 123%.

During the year 2013-14, your company increased its manufacturing capacity from 18,000 M.T. p.a. to 25,000 M.T. p.a. Going ahead, your company plans to increase its manufacturing capacity from 25000 M.T. p.a. to 45,000 p.a. by the end of the financial year 2014-15.

In consonance with company's consistent policy, it has recommended dividend of Rs.1.50 per equity share and also issuance of Bonus Share of Rs.10/- each in the ratio of 1 equity share for every 10 equity shares subject to approval at its Annual General Meeting.

Though next two years seems to be testing time for tocopherols business globally, the long term prospect of your company looks to be encouraging. We would continue to focus on our core competencies and have a mission to become the most valuable, admired, and prominent company for our product range, in India and globally.

I would like to take this opportunity to appreciate all the members of Adi Finechem team for their tireless efforts and dedication and also all our stakeholders, without whose support we would not have achieved our exceptional performance.

Warm Regards,

**Utkarsh Shah**

Chairman