

Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To the Board of Directors of
Fine Organic Industries Limited
(Formerly known as 'Fine Organic Industries Private Limited')**

We have audited the consolidated financial results of **Fine Organic Industries Limited** ('the Holding Company') comprising its subsidiaries and joint ventures (the Holding Company and its subsidiaries and joint ventures together referred to as 'the Group'), for the year ended **31 March 2019**, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to note 3 to the consolidated financial results which states that the figures for the quarter ended 31 March 2019 as reported in these consolidated financial results, are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These consolidated financial results are based on the consolidated financial statements for the year ended **31st March 2019** prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published consolidated year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2019 and our review of consolidated financial results for the nine-month period ended 31 December 2018.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant



estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors/accountants on separate financial results and on other financial information of the subsidiaries and joint ventures, the consolidated financial results:

- (i) include the financial results for the year ended 31 March 2019, of the following entities:
 - a) Subsidiaries:**
 - (i) Fine Organics (USA), Inc.
 - (ii) Fine Organics Europe BVBA
 - b) Joint Ventures:**
 - (i) Fine Zeelandia Private Limited
 - (ii) FineADD Ingredients
- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
- (iii) give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2019.

The consolidated financial results includes the group's share of net loss of Rs. 295.06 Lakhs for the year ended March 31, 2019, as considered in consolidated financial results, in respect of one joint venture, whose financial statements have not been audited by us. This financial statement have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amount and disclosures included in respect of this joint venture, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditor.



The consolidated financial results includes financial results / statements of 2 subsidiaries, whose financial information reflects total assets of Rs. 2,967.77 Lakhs as at March 31, 2019, and total revenues of Rs. 7631.02 Lakhs for the year ended on that date and financial results/ statements of 1 joint venture which reflects group's share of net loss of Rs. 40.02 Lakhs for the year ended March 31, 2019, which are certified by the Management of the holding company. In case of 2 subsidiaries, as informed to us are not required to be audited under the regulations governing the entity and therefore have been compiled by the accountant of the subsidiary companies. Further, according to the information and explanation given to us by the Management, the financial results / statements and other financial information of said subsidiaries and joint venture are not material to the group.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the financial statements certified by the management.

For B Y & Associates

Chartered Accountants

Firm's Registration Number: 123423W


CA Bhavesh Vora
Partner

Membership Number: 043908



Date : May 27, 2019

Place : Mumbai

Fine Organic Industries Limited
(Formerly known as Fine Organic Industries Private Limited)

Regd. Office : Fine House, Anandji Street, Off M G Road,
Ghatkopar East, Mumbai 400 077, India.



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Extract of Consolidated Financial Results for the Quarter and year ended 31st March, 2019 (Rs in Lakhs)

Particulars	Quarter ended			Year Ended	
	31 st March, 2019	31 st December, 2018	31 st March, 2018	31 st March, 2019	31 st March, 2018
	Unaudited	Unaudited	Unaudited	Audited	Audited
Income					
Revenue from Operations	28,428.29	26,278.97	26,981.26	106,033.29	86,466.10
Other Income	62.87	735.18	719.41	1,982.54	1,597.42
Total Income	28,491.16	27,014.15	27,700.67	108,015.83	88,063.52
Expenses					
Cost of Materials Consumed	20,867.83	15,130.12	17,013.97	64,783.83	54,821.66
Purchases of Stock-in Trade	(3,288.08)	686.49	198.21	525.62	364.51
Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	497.80	94.69	130.62	205.79	595.85
Excise Duty and Service Tax (refer note - 6)	-	-	(60.77)	-	884.75
Employee Benefit Expenses	1,419.11	1,932.41	1,371.63	6,279.06	5,162.44
Finance Costs	14.06	22.49	13.45	183.93	315.45
Depreciation and Amortisation Expenses	457.76	445.57	541.88	1,745.36	2,004.41
Other Expenses	3,071.39	3,140.29	2,912.65	11,214.46	8,795.68
Total Expenses	23,039.87	21,452.06	22,121.64	84,938.05	72,944.75
Profit before Exceptional Items	5,451.29	5,562.09	5,579.03	23,077.78	15,118.77
Exceptional Items	-	-	-	-	-
Profit before Tax	5,451.29	5,562.09	5,579.03	23,077.78	15,118.77
Current Tax	2,064.66	2,024.69	2,160.00	8,089.35	5,650.00
Deferred Tax	677.10	(104.09)	(37.32)	636.64	(81.99)
Short / (Excess) Provision for earlier years	46.23	280.00	18.39	726.23	18.01
Profit/(Loss) for the period	2,663.30	3,361.49	3,437.96	13,625.56	9,532.75
Other Comprehensive Income					
Items that will not be reclassified to Profit or Loss	(392.37)	(40.58)	(23.84)	(490.16)	(23.84)
Income Tax relating to Items that will not be reclassified to Profit or Loss	137.11	14.37	8.25	171.28	8.25
Items that will be reclassified to Profit or Loss	-	-	-	-	-
Income Tax relating to Items that will be reclassified to Profit or Loss	-	-	-	-	-
Total Other Comprehensive Income	(255.26)	(26.21)	(15.59)	(318.88)	(15.59)
Total Comprehensive Income for the period	2,408.04	3,335.28	3,422.37	13,306.68	9,517.16
Profit/(loss) Attributable to					
Equity shareholders of parents Company	2,663.16	3,361.60	3,437.96	13,621.01	9,532.75
Non Controlling Interests	0.14	(0.11)	-	4.55	-
Other Comprehensive Income attributable to					
Equity shareholders of parents Company	(255.26)	(26.21)	(15.59)	(318.88)	(15.59)
Non Controlling Interests	-	-	-	-	-
Total Comprehensive Income attributable to					
Equity shareholders of parents Company	2,407.90	3,335.39	3,422.37	13,302.13	9,517.16
Non Controlling Interests	0.14	(0.11)	-	4.55	-
Earnings per equity share (Face Value of ₹ 5 each)					
i) Basic (in ₹) (not annualised for the quarter)	8.69	10.96	11.21	44.44	31.09
ii) Diluted (in ₹) (not annualised for the quarter)	8.69	10.96	11.21	44.44	31.09
Paid up Equity Share Capital, Equity shares FV of ₹ 5 each	1,533.00	1,533.00	1,533.00	1,533.00	1,533.00
Other Equity excluding Revaluation Reserves					
Other equity	-	-	-	48,490.72	38,025.35
Non Controlling Interests	-	-	-	3.19	0.08

Notes :-

- The above results have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on 27th May, 2019.
- For the above result, Audited report has been issued by Statutory Auditor on 27th May, 2019.
- The figures for the quarter ended 31st March, 2019/31st March, 2018 represent derived figures between the audited figures for the year ended 31st March, 2019/ 31st March, 2018 and the unaudited year-to-date figures upto 31st December, 2018/31st December, 2017.
- During the year ended 31st March 2019, the Company has provided for expenses to the extent of Rs. 680 Lakhs towards the income tax liability including interest for Assessment Years 2010-11 and 2009-10, pending the receipt of final demand notice from the Income tax Department.
- In line with IND AS -108 "Operating Segments", the Company's business activity falls within a single primary business segment viz. "Manufacturing of Speciality Chemicals".
- Effective 1st July, 2017, Sales are recorded net of Goods and Service Tax (GST). Hence, revenue from Operations for the year ended 31st March, 2019 is not comparable with the corresponding figures for the year ended 31st March, 2018.
- The board of directors has recommended final dividend on equity shares at the rate of Rs. 7 per share (face value Rs 5 per share) for the year ended 31st March, 2019.
- Previous year's/period's figures have been regrouped and / or rearranged wherever considered necessary.

Place : Mumbai
Date : 27th May, 2019

For and on behalf of the Board of Directors

Mukesh Shah
Managing Director
DIN :-00106799

Fine Organic Industries Limited

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Audited Consolidated Statement of Asset and Liabilities as at 31st March, 2019 (Rs in Lakhs)

Particulars	As at	As at
	31 st March, 2019	31 st March, 2018
	Audited	Audited
ASSETS		
A) Non Current Assets		
Property, Plant and Equipment	7,782.09	8,806.07
Capital work-in-progress	10,629.09	3,167.49
Intangible Assets	34.51	26.68
Financial Assets		
- Investment	996.93	1,061.10
- Loans	100.82	96.74
- Others	208.03	42.79
Deferred tax assets (Net)	19.51	484.87
Other Non-current Assets	7,049.49	5,970.87
Total Non Current Assets (A)	26,820.47	19,656.61
B) Current Assets		
Inventories	8,926.30	8,913.66
Financial Assets		
- Trade Receivables	15,561.88	14,648.60
- Cash and Cash Equivalents	10,812.20	1,067.03
- Other Bank Balances	108.74	170.43
- Others	27.55	43.76
Current Tax Assets (Net)	437.22	376.82
Other Current Assets	7,544.15	8,104.19
Total Current Assets (B)	43,418.04	33,324.49
Total Assets (A + B)	70,238.51	52,981.10
EQUITY AND LIABILITIES		
A) Equity		
Equity Share Capital	1,533.00	1,533.00
Other Equity	48,490.72	38,025.35
Non Controlling Interest	3.19	0.08
Total Equity (A)	50,026.91	39,558.43
Liabilities		
B) Non Current Liabilities		
Financial Liabilities		
- Borrowings	9,282.18	-
- Others	390.92	-
Other non-current Liabilities	-	-
Total Non Current Liabilities (B)	9,673.10	-
C) Current Liabilities		
Financial Liabilities		
- Borrowings	2,019.15	5,360.92
- Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	344.62	544.47
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,993.87	6,449.93
- Others	1,650.41	109.94
Other current liabilities	357.32	243.54
Provisions	446.60	216.50
Current tax liabilities (Net)	726.53	497.37
Total Current Liabilities (C)	10,538.50	13,422.67
Total Equity and Liabilities (A + B + C)	70,238.51	52,981.10

For and on behalf of the Board of Directors

(Mukesh Shah)
Managing Director
DIN :-00106799



Place : Mumbai

Date : 27th May, 2019