

Independent Auditor's Review Report on the Quarterly and Year-to-Date Unaudited Consolidated Financial Results of the Company Pursuant to the 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')

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Fine Organic Industries Limited** (the "holding company"), which includes its subsidiaries (the holding company and its subsidiaries together referred to as "the Group") and Joint Ventures for the quarter ended September 30, 2020 and year-to-date results for the period from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder 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. 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 No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - (a) Fine Organic Industries Limited (the Holding Company)
 - (b) Subsidiaries:
 - (i) Fine Organics (USA), Inc.
 - (ii) Fine Organics Europe BV
 - (c) Joint Venture Entities:
 - (i) Fine Zeelandia Private Limited
 - (ii) FineADD Ingredients GmbH

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The accompanying statement includes the unaudited interim financial results / statements and other unaudited financial information in respect of:
 - (a) 2 (Two) Subsidiaries, whose unaudited interim financial results/ statements and other information (before eliminating inter companies' transactions) reflects total assets of Rs. 2,608.78 Lakhs as at September 30, 2020, total revenues of Rs. 1,513.86 Lakhs and Rs. 3,329.84 Lakhs for the quarter and six months ended September 30, 2020 respectively, total net profit after tax of Rs. 120.90 Lakhs and Rs. 188.28 Lakhs for the quarter and six months ended September 30, 2020 respectively, total comprehensive income of Rs. 120.90 Lakhs and Rs. 188.28 Lakhs for the quarter and six months ended September 30, 2020 respectively and cash outflows (net) of Rs. 212.63 Lakhs for the period from April 01, 2020 to September 30, 2020 as considered in the Statement whose interim financial results / statements and other financial



information have not been reviewed by their auditors.

- (b) 2 (Two) Joint Venture Entities, whose interim financial results / statements and other financial information includes the Group's share in net loss after tax of Rs. 50.89 Lakhs and Rs. 103.85 Lakhs for the quarter and six months ended September 30, 2020 respectively and total comprehensive loss of Rs. 50.89 Lakhs and Rs. 103.85 Lakhs for the quarter and six months ended September 30, 2020 respectively as considered in the statement whose interim financial results / statements and other information have not been reviewed by us / their auditors.

These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement and our report in term of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (As amended), read with SEBI Circular, in so far as it relates to the aforesaid subsidiaries and joint venture entities, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matter stated in paragraph 6 (a) and 6 (b) above stated is not modified with respect to the financial results / financial information certified by the Management.

ICAI UDIN: 20043908AAACTJB7461

For **BY & Associates**

Chartered Accountants

ICAI Firm registration number: 123423W


CA Bhavesh Vora

Partner

Membership Number: 043908



Date : November 02, 2020

Place : Mumbai

Fine Organic Industries Limited
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Regd. Office : Fine House, Anandji Street, Off M G Road,
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Statement of Consolidated Financial Results for the Quarter and Six months period ended 30th September, 2020

(₹ in Lakhs)

Particulars	Quarter ended			Six months period ended		Year Ended
	30 th September, 2020 Unaudited	30 th June, 2020 Unaudited	30 th September, 2019 Unaudited	30 th September, 2020 Unaudited	30 th September, 2019 Unaudited	31 st March, 2020 Audited
Income						
Revenue from Operations	27,098.14	24,001.45	27,401.89	51,099.59	52,461.04	1,03,807.97
Other Income	391.32	152.86	582.30	544.18	1,018.04	2,018.60
Total Income	27,489.46	24,154.31	27,984.19	51,643.77	53,479.08	1,05,826.57
Expenses						
Cost of Materials Consumed	16,879.72	12,853.48	16,527.21	29,733.20	31,229.11	63,600.97
Purchases of Stock-In Trade	121.67	136.46	113.96	258.13	225.09	490.16
Changes in Inventories of Finished Goods, Work In Progress and Stock In Trade	(96.56)	1,652.54	(494.81)	1,555.98	(308.33)	(3,160.26)
Employee Benefit Expenses	1,822.31	1,911.68	1,673.27	3,733.99	3,342.48	7,245.45
Finance Costs	157.35	175.48	65.22	332.83	109.48	482.10
Depreciation and Amortisation Expenses	1,137.10	1,112.53	651.27	2,249.63	986.46	3,465.53
Other Expenses	3,251.41	2,200.38	3,068.99	5,451.79	5,395.96	11,584.38
Total Expenses	23,273.00	20,042.55	21,605.11	43,315.55	40,980.25	83,708.33
Profit before Exceptional Items	4,216.46	4,111.76	6,379.08	8,328.22	12,498.83	22,118.24
Exceptional Items	-	-	-	-	-	-
Profit before Tax	4,216.46	4,111.76	6,379.08	8,328.22	12,498.83	22,118.24
Tax Expenses						
Current Tax	1,133.26	1,118.00	909.39	2,251.26	3,021.11	5,666.23
Deferred Tax	(90.86)	77.33	(386.56)	(13.53)	(365.62)	(534.06)
Short / (Excess) Provision for earlier period/year	1.59	-	-	1.59	-	-
Net Profit/(Loss) for the period/year	3,172.47	2,916.43	5,856.25	6,088.90	9,843.34	16,986.07
Share of profit/(loss) of Joint ventures	(50.89)	(52.96)	(152.76)	(103.85)	(382.05)	(506.03)
Net Profit/(Loss) after Share of profit/(loss) of Joint ventures	3,121.58	2,863.47	5,703.49	5,985.05	9,461.29	16,480.04
Other Comprehensive Income						
Items that will not be reclassified to Profit or Loss	106.74	36.07	(31.83)	142.81	(235.88)	(469.83)
Income Tax relating to Items that will not be reclassified to Profit or Loss	(26.86)	(9.08)	(12.02)	(35.94)	59.28	118.25
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	79.88	26.99	(43.85)	106.87	(176.60)	(351.58)
Total Comprehensive Income for the period/year	3,201.46	2,890.46	5,659.64	6,091.92	9,284.69	16,128.46
Net Profit/(Loss) attributable to						
Equity shareholders of parents Company	3,121.35	2,863.20	5,703.09	5,984.55	9,460.30	16,478.16
Non Controlling Interests	0.23	0.27	0.40	0.50	0.99	1.88
Other Comprehensive Income attributable to						
Equity shareholders of parents Company	79.88	26.99	(43.85)	106.87	(176.60)	(351.58)
Non Controlling Interests	-	-	-	-	-	-
Total Comprehensive Income attributable to						
Equity shareholders of parents Company	3,201.23	2,890.19	5,659.24	6,091.42	9,283.70	16,126.58
Non Controlling Interests	0.23	0.27	0.40	0.50	0.99	1.88
Earnings per equity share (Face Value of ₹ 5 each)						
I) Basic (In ₹) (not annualised for the quarter and six months period)	10.18	9.34	18.60	19.52	30.86	53.75
II) Diluted (In ₹) (not annualised for the quarter and six months period)	10.18	9.34	18.60	19.52	30.86	53.75
Paid up Equity Share Capital, Equity shares of FV of ₹ 5 each	1,533.00	1,533.00	1,533.00	1,533.00	1,533.00	1,533.00
Other Equity excluding Revaluation Reserves						
Other equity						60,356.08
Non Controlling Interests						5.07

Notes :-

(1) The above results have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on 02nd November, 2020.

(2) For the above result, Limited review report has been issued by Statutory Auditors on 02nd November, 2020.

(3) In line with IND AS -108 "Operating Segments", the Company's business activity falls within a single primary business segment viz. "Manufacturing of Specialty Chemicals".

(4) The figures for the quarter ended 30th September, 2020/30th September, 2019 represent balancing figures between the unaudited year to date figures upto 30th September, 2020/30th September, 2019 and the unaudited figures for the quarter ended 30th June, 2020/30th June, 2019.

(5) Previous year's/period's figures have been regrouped and / or rearranged wherever considered necessary.

For and on behalf of the Board of Directors



Mukesh Shah
Managing Director
DIN :-00106799



Place : Mumbai
Date : 02nd November, 2020

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Consolidated Statement of Asset and Liabilities as at 30th September, 2020 (₹ In Lakhs)

Particulars	As at	
	30 th September, 2020 Unaudited	31 st March, 2020 Audited
ASSETS		
A) Non Current Assets		
Property, Plant and Equipment	19,674.49	21,591.69
Capital work-in-progress	2,196.48	584.11
Intangible Assets	67.32	85.74
Financial Assets		
- Investment	3,175.92	3,279.76
- Loans	97.62	99.88
- Others	357.97	301.18
Deferred tax assets (Net)	649.40	671.81
Other Non-current Assets	6,550.15	6,165.23
Total Non Current Assets (A)	32,769.35	32,779.40
B) Current Assets		
Inventories	12,422.71	13,167.15
Financial Assets		
- Trade Receivables	14,773.78	13,233.32
- Cash and Cash Equivalents	21,140.78	20,566.37
- Other Bank Balances	5,039.80	475.14
- Others	29.41	32.80
Current Tax Assets (Net)	379.12	702.10
Other Current Assets	4,203.52	4,249.36
Total Current Assets (B)	57,989.12	52,426.24
Total Assets (A + B)	90,758.47	85,205.64
EQUITY AND LIABILITIES		
A) Equity		
Equity Share Capital	1,533.00	1,533.00
Other Equity	65,462.68	60,356.07
Non Controlling Interest	5.57	5.08
Total Equity (A)	67,001.25	61,894.15
Liabilities		
B) Non Current Liabilities		
Financial Liabilities		
- Borrowings	7,325.52	9,146.08
- Others	611.35	755.86
Total Non Current Liabilities (B)	7,936.87	9,901.94
C) Current Liabilities		
Financial Liabilities		
- Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	54.92	187.12
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10,024.12	8,387.96
- Others	4,272.86	3,488.98
Other current liabilities	593.00	560.88
Provisions	418.34	327.50
Current tax liabilities (Net)	457.11	457.11
Total Current Liabilities (C)	15,820.35	13,409.55
Total Equity and Liabilities (A + B + C)	90,758.47	85,205.64

For and on behalf of the Board of Directors

(Mukesh Shah)
Managing Director
DIN :-00106799

Place : Mumbai
Date : 02nd November, 2020



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Unaudited Consolidated Cash Flow Statement for the six months period ended 30th September, 2020 (₹ In lakhs)

Particulars	Six months period ended		Six months period ended	
	30 th September, 2020		30 th September, 2019	
Net Profit Before Tax		8,224.36		12,116.79
A) Cash flows from operating activities				
Adjustments for:				
Depreciation of property, plant and equipment	2,226.73		981.00	
Amortisation of Intangible assets	22.90		5.46	
Loss / (Profit) on sale of fixed assets (net)	(1.04)		(13.57)	
Interest Income	(272.43)		(394.98)	
Staff Welfare	3.57		4.34	
Rent Others	2.03		1.76	
Interest expenses	286.60		388.69	
Remeasurement of Employees Benefit Plans	(1.69)		(59.13)	
Change In Foreign Currency Translation Reserve	(65.02)		(47.24)	
Net loss/ (gain) on foreign exchange fluctuations (unrealised)	(267.01)		(661.20)	
Share of loss from Joint Venture Entity	103.85		382.05	
Lease rent on Leasehold Properties	12.67		31.14	
Expected Credit Loss Provisions	1.03		(10.13)	
		2,052.19		608.19
Operating profit before working capital movements		10,276.55		12,724.98
Movement in working capital:				
Decrease / (Increase) In Inventories	744.43		(1,103.47)	
Decrease / (Increase) In Trade Receivables	(1,541.48)		601.43	
Decrease / (Increase) In Other Bank Balances	(4,564.66)		(355.13)	
Decrease / (Increase) In Current Financial Assets : Others	3.39		8.05	
Decrease / (Increase) In Other Current Assets	45.83		935.55	
Increase / (Decrease) of Current Financial Liabilities : Borrowings	-		444.58	
Increase / (Decrease) In Trade Payables	1,503.94		221.96	
Increase / (Decrease) In Current Financial Liabilities : Others	(70.36)		1,632.11	
Increase / (Decrease) In Other current liabilities	(33.43)		99.39	
Increase / (Decrease) In Current Provisions	90.85	(3,821.49)	(51.00)	2,433.47
Cash generated from operations		6,455.06		15,158.45
Income tax paid		(1,928.28)		(3,903.21)
Net cash flows from operating activities (A)		4,526.78		11,255.24
B) Cash flows (used In) / generated from investing activities				
Purchase of property, plant and equipment, including CWIP	(1,923.87)		(5,188.53)	
Prepaid rent in leasehold properties	(114.89)		23.25	
(Advances Given)/received back for Capital Goods	(282.34)		854.91	
Purchase of intangible assets	(4.48)		(3.95)	
Proceeds from sale of property, plant and equipment	3.00		21.70	
Additional Investment in Bank Fixed Deposits	(60.31)		(103.97)	
Additional Investment in Joint Ventures	-		(579.13)	
Interest received	266.85		388.89	
Net cash flows used In Investing activities (B)		(2,116.04)		(4,586.83)
C) Net cash flows (used In)/ generated from financing activities				
Proceeds from Non Current Borrowings	(1,820.57)		852.80	
Security Deposit Received back / (Given)	1.58		2.23	
Employee advance given/(Received back)	2.26		1.53	
Dividend and Dividend Distribution Tax paid	-		(2,587.36)	
Interest paid	(286.60)		(388.69)	
Net (loss)/ gain on foreign exchange fluctuations	267.01		661.20	
Net cash flows (used In)/from financing activities (C)		(1,836.32)		(1,458.29)
Net Increase / (decrease) In cash and cash equivalents (A+B+C)		574.42		5,210.12
Cash and cash equivalents at the beginning of the period		20,566.36		10,812.20
Cash and cash equivalents at the period end		21,140.78		16,022.32
Components of cash and cash equivalents :				
Balances with banks :				
In Current Account	3,012.44		2,278.46	
In Exchange Earning Foreign Currency Account	332.24		349.96	
In Fixed Deposit Account	17,776.96		13,373.62	
Cash on hand	19.14		20.28	
		21,140.78		16,022.32

Previous period's figures have been regrouped and / or rearranged wherever considered necessary.

For and on behalf of the Board of Directors


(Mukesh Shah)
Managing Director
DIN :-00106799

Place : Mumbai
Date : 02nd November, 2020

