

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

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, 2021 and year-to-date results for the period from April 01, 2021 to September 30, 2021 (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), including relevant circulars issued by the SEBI from time to time. (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 and is in compliance with the presentation and disclosure requirements of Listing Regulations.
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 specified under Section 143(10) of the Act, 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 SEBI 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
 - (iii) Fine Organic Industries (Thailand) Co., Ltd
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 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. 5,439.07 Lakhs as at September 30, 2021, total revenues of Rs. 3,278.20 Lakhs and Rs. 6,029.86 Lakhs for the quarter and six months ended September 30, 2021 respectively, total net profit after tax of Rs. 406.59 Lakhs and Rs. 770.06 Lakhs for the quarter and six months ended September 30, 2021 respectively, total comprehensive income of Rs. 406.59 Lakhs and Rs. 770.06 Lakhs for the quarter and six months ended September 30, 2021 respectively and cash Inflows (net) of Rs. 554.30 Lakhs for the period from April 01, 2021 to September 30, 2021 as considered in the Statement whose interim financial results / statements and other financial information have not been reviewed by their auditors.

- (b) 3 (Three) Joint Venture Entities, whose interim financial results / statements and other financial information includes the Group's share in net loss after tax of Rs. 26.38 Lakhs and Rs. 81.16 Lakhs for the quarter and six months ended September 30, 2021 respectively and total comprehensive loss of Rs. 26.38 Lakhs and Rs. 81.16 Lakhs for the quarter and six months ended September 30, 2021 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.

7. We draw your attention to note no. 5 of the financial result with respect to provision for investment in Joint Venture Entity "FineADD Ingredients GmbH". Our view is not modified with respect to this matter.

ICAI UDIN: 21043908AAABIO5770

For BY & Associates

Chartered Accountants

ICAI Firm registration number: 123423W

Bhavesh

Rasiklal Vora

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Bhavesh Rasiklal
Vora
Date: 2021.11.12
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CA Bhavesh Vora

Partner

Membership Number: 043908

Date : November 12, 2021

Place : Mumbai

Fine Organic Industries Limited

Regd. Office

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Statement of Consolidated Financial Results for the Quarter and Six months period ended 30th September, 2021

(₹ In Lakhs)

Particulars	Quarter Ended			Six months period ended		Year Ended
	30 th September, 2021	30 th June, 2021	30 th September, 2020	30 th September, 2021	30 th September, 2020	31 st March, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from Operations	43,839.68	35,757.03	27,098.14	79,596.71	51,099.59	1,13,321.84
Other Income	617.48	593.35	391.32	1,210.83	544.18	1,709.77
Total Income	44,457.16	36,350.38	27,489.46	80,807.54	51,643.77	1,15,031.61
Expenses						
Cost of Materials Consumed	29,203.90	26,879.32	16,879.72	56,083.22	29,733.20	71,536.01
Purchases of Stock-in Trade	238.69	179.45	121.67	418.14	258.13	487.29
Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	(203.70)	(2,837.58)	(96.56)	(3,041.28)	1,555.98	578.37
Employee Benefit Expenses	2,158.47	2,114.26	1,822.31	4,272.73	3,733.99	7,956.73
Finance Costs	121.32	130.09	157.35	251.41	332.83	612.98
Depreciation and Amortisation Expenses	976.34	950.78	1,137.10	1,927.12	2,249.63	4,676.91
Other Expenses	5,137.04	4,222.26	3,251.41	9,359.30	5,451.79	12,837.94
Total Expenses	37,632.06	31,638.58	23,273.00	69,270.64	43,315.55	98,686.23
Profit before share of profit/(loss) of a joint venture and exceptional items	6,825.10	4,711.80	4,216.46	11,536.90	8,328.22	16,345.38
Share of profit/(loss) of joint ventures (net of tax)	(26.37)	(54.79)	(50.89)	(81.16)	(103.85)	(130.45)
Profit before Tax and exceptional items	6,798.73	4,657.01	4,165.57	11,455.74	8,224.37	16,214.93
Exceptional Items	-	-	-	-	-	-
Profit before Tax	6,798.73	4,657.01	4,165.57	11,455.74	8,224.37	16,214.93
Tax Expenses						
Current Tax	1,871.52	1,194.46	1,133.26	3,065.98	2,251.26	4,380.61
Deferred Tax	(60.45)	(129.75)	(90.86)	(190.20)	(13.53)	(201.42)
Short / (Excess) Provision for earlier period/year	-	-	1.59	-	1.59	1.59
Net Profit/(Loss) for the period/year	4,987.66	3,592.30	3,121.58	8,579.96	5,985.05	12,034.15
Other Comprehensive Income						
Items that will not be reclassified to Profit or Loss	9.97	80.30	106.74	90.27	142.81	311.23
Income Tax relating to Items that will not be reclassified to Profit or Loss	(2.51)	(20.21)	(26.86)	(22.72)	(35.94)	(78.33)
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	7.46	60.09	79.88	67.55	106.87	232.90
Total Comprehensive Income for the period/year	4,995.12	3,652.39	3,201.46	8,647.51	6,091.92	12,267.05
Net Profit/(loss) attributable to						
Equity shareholders of parents Company	4,986.65	3,591.45	3,121.35	8,578.10	5,984.55	12,032.32
Non Controlling Interests	1.01	0.85	0.23	1.86	0.50	1.83
Other Comprehensive Income attributable to						
Equity shareholders of parents Company	7.46	60.09	79.88	67.55	106.87	232.90
Non Controlling Interests	-	-	-	-	-	-
Total Comprehensive Income attributable to						
Equity shareholders of parents Company	4,994.11	3,651.54	3,201.23	8,645.65	6,091.42	12,265.22
Non Controlling Interests	1.01	0.85	0.23	1.86	0.50	1.83
Earnings per equity share (Face Value of ₹ 5 each)						
i) Basic (in ₹) (not annualised for the quarter and six months period)	16.27	11.72	10.18	27.98	19.52	39.25
ii) Diluted (in ₹) (not annualised for the quarter and six months period)	16.27	11.72	10.18	27.98	19.52	39.25
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	-	-	-	-	-	71,605.72
Non Controlling Interests	-	-	-	-	-	6.90

Notes:-

- The Board of Directors have proposed a final dividend of ₹ 11/- per equity share (Face Value ₹ 5/- each) for the year ended 31st March, 2021 in its meeting held on 27th May, 2021. Subsequently it was approved by the the shareholders at the Annual General Meeting held on 24th August 2021 and the same was paid on 01st September 2021.
- The above results have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on 12th November, 2021.
- For the above result, Limited review report has been issued by Statutory Auditors on 12th November, 2021.
- 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".
- The Company has fully provided for the diminution in the value of its investment in the Joint Venture Entity "FineADD Ingredients GmbH", in view of its decision not to proceed with the Joint Venture and accordingly recorded the provision for the balance amount of ₹ 120.73 Lakhs in the above accounts.
- Previous year's/period's figures have been regrouped and / or rearranged wherever considered necessary.
- The figures for the quarter ended 30th September, 2021/30th September, 2020 represent balancing figures between the unaudited year to date figures upto 30th September, 2021/30th September, 2020 and the unaudited figures for the quarter ended 30th June, 2021/30th June, 2020.

For and on behalf of the Board of Directors

(Jayen Shah)
Director and CEO
DIN :-00106919



Place : Mumbai
Date : 12th November, 2021

Fine Organic Industries Limited

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Particulars	Consolidated Statement of Asset and Liabilities as at 30 th September, 2021	
	As at	As at
	30 th September, 2021	31 st March, 2021
	Unaudited	Audited
ASSETS		
A) Non Current Assets		
Property, Plant and Equipment	18,165.62	19,531.15
Capital work-in-progress	4,921.78	2,630.42
Intangible Assets	49.54	54.18
Financial Assets		
- Investment	3,082.77	3,109.91
- Loans	130.29	123.49
- Others	255.31	255.72
Deferred tax assets (Net)	962.39	794.90
Other Non-current Assets	6,451.17	6,214.71
Total Non Current Assets (A)	34,018.87	32,714.48
B) Current Assets		
Inventories	18,712.75	12,617.94
Financial Assets		
- Trade Receivables	24,449.46	16,098.17
- Cash and Cash Equivalents	17,981.71	25,897.28
- Other Bank Balances	1,063.91	477.01
- Others	19.71	23.96
Current Tax Assets (Net)	127.38	526.99
Other Current Assets	6,515.79	6,341.35
Total Current Assets (B)	68,870.71	61,982.71
Total Assets (A + B)	1,02,889.58	94,697.19
EQUITY AND LIABILITIES		
A) Equity		
Equity Share Capital	1,533.00	1,533.00
Other Equity	76,925.16	71,605.72
Non Controlling Interest	8.75	6.90
Total Equity (A)	78,466.91	73,145.62
Liabilities		
B) Non Current Liabilities		
Financial Liabilities		
- Borrowings	4,094.95	5,674.43
- Others	295.21	435.30
Other non-current Liabilities	-	-
Total Non Current Liabilities (B)	4,390.16	6,109.73
C) Current Liabilities		
Financial Liabilities		
- Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	493.42	318.49
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	12,206.33	9,459.62
- Others	3,496.60	3,494.46
Other current liabilities	968.74	367.29
Provisions	2,410.31	1,344.87
Current tax liabilities (Net)	457.11	457.11
Total Current Liabilities (C)	20,032.51	15,441.84
Total Equity and Liabilities (A + B + C)	1,02,889.58	94,697.19

For and on behalf of the Board of Directors

(Jayen Shah)
Director and CEO
DIN :-00106919



Place : Mumbai
Date : 12th November, 2021



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Unaudited Consolidated Cash Flow Statement for the six months period ended 30th September, 2021 ₹ in lakhs

Particulars	Six months ended		Six months ended	
	30 th September, 2021		30 th September, 2020	
Net Profit Before Tax		11,455.73		8,224.36
A) Cash flows from operating activities				
Adjustments for:				
Depreciation of property, plant and equipment	1,913.85		2,226.73	
Amortisation of intangible assets	13.27		22.90	
Loss / (Profit) on sale of fixed assets (net)	-		(1.04)	
Interest income	(283.60)		(272.43)	
Staff Welfare	3.45		3.57	
Rent Others	1.83		2.03	
Expected Credit Loss Provisions / (Reversal)	(48.66)		1.03	
Interest expenses	205.60		286.60	
Remeasurement of Employees benefit Plans	(49.84)		(1.69)	
Change in Foreign Currency Translation Reserve	(74.35)		(65.02)	
Net loss/ (gain) on foreign exchange fluctuations	(876.53)		(267.01)	
Share of Loss from Joint Venture Entity	81.16		103.85	
Lease rent on Leasehold Properties	13.27		12.67	
Provision for Diminution in Value of Investment	120.73		-	
		1,020.18		2,052.19
Operating profit before working capital movements		12,475.91		10,276.55
Movement In working capital:				
Decrease / (Increase) in Inventories	(6,094.81)		744.43	
Decrease / (Increase) in Trade Receivables	(8,302.64)		(1,541.48)	
Decrease / (Increase) in Other Bank Balances	(586.90)		(4,564.66)	
Decrease / (Increase) in Current Financial Assets : Others	4.26		3.39	
Decrease / (Increase) in Other Current Assets	(174.45)		45.83	
Increase / (Decrease) of Current Financial Liabilities : Borrowings	-		-	
Increase / (Decrease) in Trade Payables	2,921.64		955.32	
Increase / (Decrease) in Current Financial Liabilities : Others	2.14		(70.37)	
Increase / (Decrease) in Other current liabilities	601.46		(33.43)	
Increase / (Decrease) in Current Provisions	1,065.43	(10,563.87)	639.48	(3,821.49)
Cash generated from operations		1,912.04		6,455.06
Income tax paid		(2,666.36)		(1,928.28)
Net cash flows from operating activities (A)		(754.32)		4,526.78
B) Cash flows (used in) / generated from investing activities				
Purchase of property, plant and equipment, including CWIP	(2,838.10)		(1,923.87)	
Prepaid rent in leasehold properties	5.75		(114.89)	
Advance given for capital goods	(225.41)		(282.34)	
Purchase of intangible assets	(10.20)		(4.48)	
Proceeds from sale of property, plant and equipment	-		3.01	
Amount (invested) / received back in Bank Fixed Deposits	(0.66)		(60.31)	
Additional Investment in Joint Ventures	(54.00)		-	
Interest received	278.32		266.84	
Net cash flows used in investing activities (B)		(2,844.30)		(2,116.04)
C) Net cash flows (used in) / generated from financing activities				
Proceeds from Non Current Borrowings	(1,579.47)		(1,820.57)	
Security Deposit Received back / (Given)	(29.00)		1.58	
Employee advance (given) / received back	(6.80)		2.26	
Dividend and Dividend Distribution Tax paid	(3,372.60)		-	
Interest paid	(205.60)		(286.60)	
Net (loss) / gain on foreign exchange fluctuations	876.53		267.01	
Net cash flows (used in)/from financing activities (C)		(4,316.94)		(1,836.32)
Net Increase / (decrease) in cash and cash equivalents (A+B+C)		(7,915.56)		574.42
Cash and cash equivalents at the beginning of the period		25,897.28		20,566.36
Cash and cash equivalents at the period end		17,981.72		21,140.78
Components of cash and cash equivalents :				
Balances with banks :				
In Current Account	3,935.59		3,012.44	
In Exchange Earning Foreign Currency Account	956.08		332.24	
In Fixed Deposit Account	13,069.76		17,776.96	
Cash on hand	20.29	17,981.72	29.14	21,140.78

For and on behalf of the Board of Directors

(Jayen Shah)
Director and CEO
DIN :-00106919

Place : Mumbai
Date : 12th November, 2021

