



Fermenta Biotech Limited (Formerly known as Dil Limited)
 CHL1999MPL01K.C00485
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STATEMENT OF STATADONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended				Year Ended			
		2020		2019		2020		2019	
		Unaudited June 30,	Unaudited March 31,	Unaudited June 30,	Unaudited March 31,	Audited March 31,	Audited June 30,	Audited March 31,	Audited June 30,
1	Income								
a)	Revenue from operations	10,092.92	7,209.57	8,118.25	30,050.65	9,444.48	6,454.06	8,118.12	29,204.92
b)	Other income	122.66	264.54	201.04	1,231.32	122.53	263.82	208.79	1,231.30
2	Total Income (a+b)	10,220.58	7,474.11	8,410.19	31,281.97	9,567.01	6,717.88	8,498.96	30,537.22
3	Expenses								
a)	Cost of materials consumed	3,344.98	2,932.70	2,050.45	10,296.33	3,510.74	3,197.64	2,050.45	10,561.26
b)	Purchases of stock-in-trade	2.00	13.32	0.39	50.15	2.00	13.32	0.39	50.15
c)	Change in inventories of finished goods, stock-in-trade and work-in-progress	455.68	(444.28)	(70.85)	(2,078.85)	(277.23)	(1,074.33)	(70.85)	(2,706.90)
d)	Employee benefits expense	1,483.40	1,088.48	1,400.85	5,003.15	1,461.40	1,098.49	1,400.85	5,003.15
e)	Finance costs	362.11	403.61	487.64	1,932.04	397.62	399.12	483.14	1,914.04
f)	Depreciation and amortisation expense	302.67	302.67	348.64	1,403.83	432.11	306.25	349.50	1,499.97
g)	Contribution on sales	441.96	30.33	304.64	908.81	441.96	30.33	354.64	908.81
h)	Allowance for doubtful trade receivables	79.41	80.69	4.35	91.46	79.41	80.69	4.35	91.46
i)	Other expenses	1,862.43	2,146.49	1,926.71	8,830.39	1,980.03	2,164.83	1,927.23	8,865.27
Total expenses (a to i)		8,356.87	6,653.91	6,512.62	26,527.31	7,978.04	6,306.24	6,509.70	26,185.21
4	Profit before tax (2-3)	1,863.71	870.20	1,897.37	4,754.66	1,591.97	411.64	1,899.26	4,342.01
5	Tax expense (see Note 4)	340.00	150.04	495.05	336.55	340.78	149.65	486.00	338.88
a)	Current tax								
b)	Deferred tax charge/(credit)	(232.96)	99.40	492.63	(1,612.37)	233.74	99.02	492.59	(1,610.01)
6	Total tax expense (a+b)	1,630.75	720.80	1,404.74	6,367.04	1,360.23	312.62	1,495.67	5,952.02
7	Share of profit / (loss) of an associate								
8	Net Profit after tax and share of profit/(loss) of an associate and but before non-controlling interests (6+7)	1,630.75	720.80	1,404.74	6,367.04	1,360.23	312.62	1,495.67	5,952.02
9	Non-controlling interests								
10	Profit for the period after tax, share of profit/(loss) of an associate and non-controlling interests (8+9)	1,630.75	720.80	1,404.74	6,367.04	1,360.23	312.62	1,495.67	5,952.02
11	Other Comprehensive Income								
(A)	Items that will not be reclassified to Profit or Loss	0.38	171.87	2.22	181.90	0.38	171.87	2.22	181.90
(B)	Items that will be reclassified to Profit or Loss	0.38	171.87	2.22	181.90	0.38	171.87	2.22	181.90
Total Other Comprehensive Income/(Loss) (A+B)		0.38	171.87	2.22	181.90	0.38	171.87	2.22	181.90
12	Total Comprehensive Income for the period/year (8+11)	1,631.13	892.67	1,406.96	6,548.94	1,360.61	312.62	1,497.89	6,133.92
Attributable to:									
- Owners of the parent									
- Non-controlling interests									
13	Round-up equity share capital (Face value ₹ 5/- per share) - 2,88,41,322 number of equity shares (see Note 5)	1,442.37	1,442.37	458.64	1,442.37	1,442.37	1,442.37	458.64	1,442.37
	Paid-up equity share capital (Face value ₹ 5/- per share) - 91,72,792 number of equity shares	-	-	22.15	-	-	-	22.15	-
	Add: Equity shares pending issuance (see Note 4)	-	-	22.15	-	-	-	22.15	-
	- 442,982 number of equity shares	-	-	489.79	-	-	-	489.79	-
14	Total no. of equity share issued and paid up and pending issuance (see note 5)	1,442.37	1,442.37	489.79	1,442.37	1,442.37	1,442.37	489.79	1,442.37
	Earnings per equity share of ₹ 5 each (Post Bonus) (not annualised)								
	*28,847,322 number of equity shares								
	a) ₹ Basic	5.63	2.50	4.87	22.07	4.72	1.08	4.87	20.61
	b) ₹ Diluted	5.63	2.50	4.86	21.96	4.71	1.09	4.86	20.53

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NOTES:

1A Segment Information

Particulars	Stand-alone				Year Ended Audited March 31, 2020
	Quarter ended		Unaudited		
	Unaudited June 30, 2020	Unaudited March 31, 2020	Unaudited June 30, 2019	Unaudited March 31, 2019	
Segment revenue	9,661.07	6,754.11	7,699.96	7,805.62	28,305.62
- Bulk drugs/chemicals	431.85	443.16	535.24	535.24	1,945.05
- Property	127.66	276.84	318.02	318.02	1,313.66
- Unallocated	10,220.58	7,474.11	8,553.75	8,553.75	31,564.33
Total	10,220.58	7,474.11	8,553.75	8,553.75	31,564.33
Less: Inter-segment revenue			143.06	143.06	282.36
Total Income	10,220.58	7,474.11	8,410.19	8,410.19	31,281.97
Segment results					
- Bulk drugs/chemicals	2,072.48	1,117.13	2,351.74	2,351.74	5,958.00
- Property	224.48	119.99	192.33	192.33	571.30
- Unallocated (Net)	(71.14)	(13.31)	(149.06)	(149.06)	157.40
Total	2,225.82	1,223.81	2,395.01	2,395.01	6,686.70
Less: Inter-segment results					
Total Profit before tax and before finance cost	2,225.82	1,223.81	2,395.01	2,395.01	6,686.70
Less: Finance costs	(362.11)	(403.61)	(497.64)	(497.64)	(1,932.04)
Total Profit before tax	1,863.71	820.20	1,897.37	1,897.37	4,754.66
Segment Assets					
- Bulk Drugs/chemicals	43,764.13	40,418.44	36,430.04	40,418.44	40,418.44
- Property	7,884.58	8,014.40	8,070.32	8,014.40	8,014.40
- Unallocated	15,505.91	12,528.22	14,481.19	12,528.22	12,528.22
Total Segment Assets	67,154.62	60,961.06	58,981.54	60,961.06	60,961.06
Segment liabilities					
- Bulk Drugs/chemicals	8,554.17	6,278.80	7,380.01	6,278.80	6,278.80
- Property	782.48	813.85	1,182.87	813.85	813.85
- Unallocated	24,796.10	22,608.22	23,875.14	22,608.22	22,608.22
Total Segment liabilities	34,132.76	29,700.87	32,438.02	29,700.87	29,700.87

1B Segment Information

Particulars	Consolidated				Year Ended Audited March 31, 2020
	Quarter ended		Unaudited		
	Unaudited June 30, 2020	Unaudited March 31, 2020	Unaudited June 30, 2019	Unaudited March 31, 2019	
Segment revenue	9,012.50	5,999.32	7,699.96	7,699.96	27,550.83
- Bulk drugs/chemicals	436.35	447.61	539.74	539.74	1,963.05
- Property	122.66	275.19	316.89	316.89	1,313.70
- Unallocated	9,576.51	6,722.12	8,556.62	8,556.62	30,877.58
Total	4.50	4.24	147.66	147.66	300.36
Less: Inter-segment revenue	9,572.01	6,717.88	8,408.96	8,408.96	30,577.22
Segment results					
- Bulk drugs/chemicals	1,800.01	692.96	2,350.29	2,350.29	5,533.83
- Property	222.30	128.12	181.63	181.63	563.10
- Unallocated (Net)	(71.14)	(13.30)	(149.08)	(149.08)	157.41
Total	1,951.17	807.78	2,382.84	2,382.84	6,254.34
Less: Inter-segment results	0.42	2.98	(0.44)	(0.44)	1.71
Total Profit before tax and before finance cost	1,951.59	810.76	2,382.40	2,382.40	6,256.05
Less: Finance costs	(357.62)	(399.12)	(493.14)	(493.14)	(1,914.04)
Total Profit before tax	1,593.97	411.64	1,889.26	1,889.26	4,342.01
Segment Assets					
- Bulk Drugs/chemicals	43,731.34	40,580.16	36,405.64	40,580.16	40,580.16
- Property	7,941.53	8,069.03	8,070.62	8,069.03	8,069.03
- Unallocated	15,692.21	12,718.26	14,480.44	12,718.26	12,718.26
Total Segment Assets	67,365.08	61,367.45	58,956.70	61,367.45	61,367.45
Segment liabilities					
- Bulk Drugs/chemicals	9,633.45	7,289.02	7,364.57	7,289.02	7,289.02
- Property	783.34	814.09	1,114.67	814.09	814.09
- Unallocated	24,507.54	22,319.56	23,875.10	22,319.56	22,319.56
Total Segment liabilities	34,924.33	30,422.67	32,354.34	30,422.67	30,422.67

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- 2 The unaudited financial results included in the above statement of standalone and consolidated results includes the financial information of two subsidiaries and one associate on the basis of unaudited financial information prepared by the Management which have not been reviewed or audited by their auditors. The said interim financial information is not material to the consolidated results.
- 3 These unaudited standalone and consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 4 The National Company Law Tribunal, Mumbai Bench, has approved the Scheme of Amalgamation between DIL Limited and Fermenta Biotech Limited and their respective shareholders, and the name of DIL Limited has been changed to Fermenta Biotech Limited. The Scheme has become effective from 26th September, 2019. The appointed date of the Scheme is 1st April, 2018. Accordingly, the figures in the unaudited standalone and consolidated financial results for the quarter ended 30th June, 2019 have been restated. The amalgamation had been accounted as common control transaction in accordance with Appendix C of Ind AS 103 'Business Combinations'.
- 5 The earnings per share for the quarter ended 30th June, 2019 had been adjusted for bonus shares in accordance with Ind AS 33 "Earnings per Share" prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued hereunder. The Board of Directors on its meeting held on 24th December, 2019 had issued bonus shares in the ratio of two fully paid up equity share of ₹ 5/- each for every one existing fully paid up equity share of ₹ 5/- each held by the members.
- 6 As per the current assessment of the situation based on the internal and external information available up to the date of approval of these unaudited financial results by the Board of Directors, the Company believes that the Impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of assets. The eventual outcome of the impact of the global health pandemic may be different from those-estimated as on the date of approval of these unaudited standalone financial results and unaudited consolidated financial results and the Company will closely monitor any material changes to the economic environment and their impact on its business in the times to come.
- 7 The Company had given (unsecured) inter-corporate deposits aggregating ₹ 2,130.00 Lakhs in various tranches to another entity over the last twenty three months until the end of the reporting period for the development of the new product i.e. cholesterol from Fish Oil. The Company has also given trade advances of ₹ 137.00 Lakhs to the same entity upto the end of the reporting period. The amount outstanding as on 30th June, 2020 is ₹ 2,513.63 Lakhs, including interest of ₹ 246.63 Lakhs. The Company has started the export sales of the new product and is confident that it shall be able to recover the trade advances and inter corporate deposit amount along with interest in next 12 months. Subsequent to the end of the quarter, the other entity has repaid an amount of ₹ 581.59 Lakhs towards the aggregate outstanding as mentioned above. The statutory auditors have modified their review report in respect of the foregoing matter.
- 8 The figures for the quarter ended 31st March, 2020 are the balancing figures between the audited financial figures in respect of the full financial year ended 31st March, 2020 and the unaudited published year to date figures upto nine months of the relevant financial year which were subject to limited review by the statutory auditors.
- 9 The above unaudited standalone and consolidated financial results of the Company for the quarter ended 30th June, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th September, 2020. The statutory auditors of the Company have conducted a limited review of the above unaudited standalone and consolidated financial results for the quarter ended 30th June, 2020.

Place: Thane

14th September, 2020

Krishna Datta

Managing Director



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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
Fermenta Biotech Limited (Formerly known as DIL Limited)**

1. We have reviewed the Standalone Unaudited Financial Results and also the Consolidated Unaudited Financial Results of **Fermenta Biotech Limited** (Formerly known as DIL Limited) ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the profit/(loss) after tax and total comprehensive income/loss of its associate for the quarter ended June 30, 2020, included in the accompanying Statement of Standalone and Consolidated Unaudited Financial Results for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Parent, pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Management of the Parent and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel 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 Companies Act, 2013 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.

4. The Consolidated unaudited financial results in the Statement includes the interim financial results / interim financial information of the following entities:

Parent

1. Fermenta Biotech Limited (Formerly known as DIL Limited)

Subsidiaries

2. Aegean Properties Limited
3. CC Square Films Limited
4. G. I. Biotech Private Limited
5. Fermenta Biotech (UK) Limited
6. Fermenta Biotech GmbH

Associate

7. Health and Wellness India Private Limited

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5. The Parent has given (unsecured) Inter-corporate deposits aggregating ₹ 2,130.00 Lakhs in various tranches to another entity over the last twenty three months until the end of the reporting period. The Parent has given trade advances of ₹ 137.00 Lakhs to the same entity upto the end of the reporting period. The amount outstanding as on June 30, 2020 is ₹ 2,513.63 Lakhs, including interest of ₹ 246.63 Lakhs. The deposits are repayable within one year from the date of entering into the ICD agreement and are further renewable such that the total period of deposits does not exceed three years. No Interest has been recovered on these deposits since inception. As per that entity's latest available audited financial statements for the year ended March 31, 2019, the entity is dominantly dependent on borrowings, including from banks, and the net worth is marginal. Further, the directors of that entity in their report have stated that no provision for interest has been made as per mutually agreed terms. The Management of the Parent has represented to us that they have not entered into any such terms that would result in non-receipt of interest. For the reasons stated in Note 7 to the Statement, the Management of the Parent believes that no impairment on these Inter-corporate deposits including interest accrued on such deposits and trade advances is deemed necessary. While the other entity referred above has repaid an amount of ₹ 581.59 Lakhs subsequent to the end of the quarter towards the aggregate outstanding of ₹ 2,513.63 Lakhs (i.e. ICD, interest thereon and advances as disclosed above) as at June 30, 2020, having regard to the foregoing and in the absence of sufficient appropriate information, we are unable to comment whether the aforesaid Inter-corporate deposits including interest accrued on such deposits and trade advances would be recoverable including the consequential impact, if any, of such impairment that may be required to be made in both, in the standalone unaudited financial results and in the consolidated unaudited financial results.

This matter was also qualified in our audit report on the audited standalone and consolidated financial results for the quarter and year ended March 31, 2020.

6. 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 8 below, except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. In view of the Scheme of Amalgamation referred in Note 4 to the Statement becoming effective during the quarter ended September 30, 2019, the corresponding financial information for the quarter ended June 30, 2019 has been restated. Our report on the Statement is not modified in respect of this matter.

8. We did not review the interim financial information of 3 subsidiaries included in the consolidated unaudited financial results, included in the Statement, whose interim financial information reflect total revenue of ₹ 4.50 Lakhs for the quarter ended June 30, 2020, total net profit after tax (net) of ₹ 2.22 Lakhs for the quarter ended June 30, 2020 and total comprehensive income (net) of ₹ 2.22 Lakhs for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results, included in the Statement. The above figures are before giving effect of any consolidation adjustments. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management of the Parent and our conclusion on the consolidated unaudited financial results, included in 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 consolidated unaudited financial results, included in the Statement, is not modified in respect of these matters.

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9. The consolidated unaudited financial results, included in the Statement, include the interim financial information of two subsidiary which has not been reviewed by their auditors, whose interim financial information reflect total revenue of ₹ 203.76 for the quarter ended June 30, 2020, total loss after tax of ₹ 52.91 Lakhs for the quarter ended June 30, 2020 and total comprehensive loss of ₹ 52.91 Lakhs for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results, included in the Statement. The above figures are before giving effect of any consolidation adjustments. The consolidated unaudited financial results also includes the Group's share of profit/ (loss) after tax of ₹ Nil for the quarter ended June 30, 2020 and total comprehensive income/loss of ₹ Nil for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results, included in the Statement, in respect of an associate, based on their interim financial information which has not been reviewed by their auditors. According to the information and explanations given to us by the Management of the Parent, these interim financial information are not material to the Group.

Our Conclusion on the consolidated unaudited financial results, included in the Statement is not modified in respect of our reliance on the interim financial information certified by the Management of the Parent.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

RAJESH KISHORE Digitally signed by RAJESH
HIRANANDANI KISHORE HIRANANDANI
Date: 2020.09.14 12:44:13 +05'30'

Rajesh K. Hiranandani
Partner
(Membership No. 36920)
UDIN: 20036920AAAADB9635

Place: Mumbai
Date: September 14, 2020

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