

Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel. : 6752 7100 Fax : 6752 7101 E-mail : nvc@nvc.in

Independent Auditor's Review Report on Unaudited Consolidated Quarterly and Year to Date Financial Results of Laxmi Organic Industries limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as Amended)

To,
The Board of Directors of
Laxmi Organic Industries Limited,

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Laxmi Organic Industries Limited (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income of its joint ventures and associates for the quarter and half year ended September 30, 2022 ("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 ("the Listing Regulations").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the 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 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.
4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.



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5. The Statement includes unaudited standalone financial results of the following entities:

Sr. No.	Name of the Entities
	Laxmi Organic Industries Limited- Holding Company
	Wholly owned Subsidiary
1	Cellbion Lifesciences Private Limited
2	Laxmi Lifesciences Private Limited
3	Laxmi Organic Industries (Europe) BV
4	Laxmi Petrochem Middle East FZE
5	Viva Lifesciences Private Limited
6	Laxmi Speciality Chemicals (Shanghai) Co. Limited
7	Yellowstone Fine Chemicals Private Limited
8	Yellowstone Speciality Chemicals Private Limited
9	Laxmi Itlay SRL (Through Yellowstone Fine Chemicals Private Limited)
	Step down Subsidiary
10	Saideep Traders
	Associate
11	Cleanwin Energy One LLP
12	Radiance MH Sunrise Seven Private Limited

6. Based on our review conducted and procedures performed as stated in paragraph 3 and 4 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. A) We did not review the financial results of five subsidiaries, whose financial statements reflect total assets of Rs. 3,420.60 million as at September 30, 2022, total revenues for the quarter and six months period ended Rs.93.29 million and Rs.194.54 million respectively and net cash inflow amounting to Rs. 2.01 million for the six months period ended September 30, 2022, as considered in the preparation of the consolidated Ind AS financial statements. These financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Our conclusion is not modified on this account.
- B) We did not review the financial results of four subsidiaries whose financial statements reflects total assets of Rs.1,328.28 million as at September 30,2022, total revenues for the quarter and six months period ended Rs.1,021.56 million and Rs.2,420.50 million respectively and net cash



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inflow/(outflow) of Rs.(1.30) million for the six months period ended September 30, 2022. These financial statements, which have been reviewed by other auditors, were not prepared in accordance with the Ind AS. These financials were converted in to Ind AS financial statements by passing Ind AS adjustment entries, where necessary, by the management for consolidation purpose and these Ind AS adjustment entries were verified by us and our conclusion on the consolidated Ind AS financial statements, 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 INDAS adjustments reviewed by us. Our conclusion is not modified on this account.

- C) We did not review the financial results of one immaterial subsidiary whose financial statements reflects total assets of Rs.0.70 million as at September 30, 2022 and total revenues for the quarter and six months period ended Rs.1.23 million and Rs. 1.23 million respectively and net cash inflow/(outflow) of Rs.(1.75) million for the six months period ended September 30, 2022. These financial statements have been prepared by the management for consolidation purposes and are incorporated in these consolidated financial statements on the basis of the management accounts on which we have not carried out any review procedures. Our conclusion is not modified on this account.

Other Matters

8. We invite attention to the Note no 4 in the Statement relating to the order of the merger of Acetyls Holding Private Limited ('AHPL') and its step-down subsidiary namely, Yellowstone Chemicals Private Limited ('YCPL'), with the Company with the appointed date as of October 2, 2021 which has been approved vide order dated August 28, 2022. The Company has given the effect of the merger in the quarter ended September 30, 2022. Since the appointed date is October 2, 2021, the prior period comparative of the quarter ended June 30, 2022 and the Year ended March 31, 2022 has been restated.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

Nuzhat



Nuzhat Khan
Partner

M. No. 124960

Mumbai Dated: November 8, 2022

UDIN: 22124960BCNZMI4145

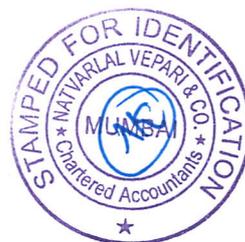
LAXMI ORGANIC INDUSTRIES LIMITED
CIN :L24200MH1989PLC051736
Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year Ended September 30, 2022
(All figures are rupees in million unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		Unaudited	Refer Note 4	Unaudited	Unaudited	Unaudited	Refer Note 4
1	Income						
	Revenue from operations	6,521.98	7,566.11	6,080.95	14,088.09	13,444.46	30,841.87
	Other income	28.56	21.17	66.78	49.73	109.52	148.76
	Total income	6,550.54	7,587.28	6,147.73	14,137.82	13,553.98	30,990.63
2	Expenses						
	Cost of materials consumed	3,316.64	4,179.39	3,287.66	7,496.03	7,069.84	17,152.91
	Purchases of stock-in-trade	692.25	875.90	1,234.98	1,568.15	2,612.05	4,706.78
	Change in inventories of finished goods, work in progress and stock-in-trade	483.18	(475.00)	172.42	8.18	(212.66)	(733.69)
	Employee benefits expense	294.32	283.83	284.94	578.15	586.87	1,244.37
	Finance cost	43.69	24.19	10.84	67.88	38.91	154.21
	Depreciation and amortisation expense	169.88	135.87	112.66	305.75	221.41	481.02
	Other expenses	1,449.32	1,697.97	792.15	3,147.29	1,626.88	4,795.61
	Total expenses	6,449.28	6,722.15	5,895.65	13,171.43	11,943.30	27,801.21
3	Profit before share of profit/(loss) of associate/ joint venture and exceptional items	101.26	865.13	252.08	966.39	1,610.68	3,189.42
	Share of profit/(loss) of joint venture/associates	-	-	-	-	-	-
	Profit /(loss) before exceptional items and tax	101.26	865.13	252.08	966.39	1,610.68	3,189.42
	Exceptional items	-	-	-	-	-	-
	Profit/(loss) before tax	101.26	865.13	252.08	966.39	1,610.68	3,189.42
4	Tax expense	14.99	220.67	106.41	235.66	441.76	614.39
	-Current tax	4.12	232.57	75.68	236.69	362.44	655.18
	-Deferred tax	10.87	(11.90)	30.73	(1.03)	79.32	13.92
	-Income tax (excess)/short provision of previous year	-	-	-	-	-	(54.71)
5	Profit for the period	86.27	644.46	145.67	730.73	1,168.92	2,575.03
6	Other comprehensive income (OCI)						
	Remeasurement of the net defined benefit liability / asset (net of tax)	1.19	6.39	0.95	7.58	(9.52)	(11.08)
	Other comprehensive income /(loss) for the period	1.19	6.39	0.95	7.58	(9.52)	(11.08)
7	Total comprehensive income/(loss) for the period	87.46	650.85	146.62	738.31	1,159.40	2,563.95
8	Profit/(loss) attributable to:						
	Owners of the company	85.99	644.31	145.67	730.30	1,168.92	2,574.19
	Non-controlling interest	0.27	0.15	-	0.42	-	0.84
9	Other comprehensive income attributable to:						
	Owners of the company	1.19	6.39	0.95	7.58	(9.52)	(11.08)
	Non-controlling interest	-	-	-	-	-	-
10	Paid up share capital (face value Rs. 2/- per share)	530.32	530.19	527.33	530.32	527.33	527.33
11	Other equity						12,371.17
12	Earnings per equity share (face value Rs. 2/- per share)						
	Basic (Rs.)	0.32	2.44	0.55	2.76	4.43	9.76
	Diluted (Rs.)	0.32	2.42	0.54	2.73	4.36	9.63



LAXMI ORGANIC INDUSTRIES LIMITED
CIN :L24200MH1989PLC051736
Statement of Unaudited Consolidated Assets and Liabilities as at September 30, 2022
(All figures are rupees in million unless otherwise stated)

Sr. No.	Particulars	As At	As At
		September 30, 2022	March 31, 2022
		(Unaudited)	Refer Note 4
	ASSETS		
(1)	Non-current assets		
	(a) Property, plant and equipment	5,026.63	3,715.86
	(b) Capital work-in-progress	3,921.34	3,737.76
	(c) Other intangible assets	5.85	7.63
	(d) Right of use assets	98.26	62.52
	(e) Financial assets		
	(i) Investments	27.62	12.50
	(ii) Others	100.83	104.41
	(f) Other non-current assets	164.61	125.89
	Total non-current assets	9,345.14	7,766.57
(2)	Current assets		
	(a) Inventories	3,497.22	3,738.09
	(b) Financial assets		
	(i) Investments	-	40.00
	(ii) Trade receivables	4,603.50	6,684.24
	(iii) Cash and cash equivalents	373.29	330.29
	(iv) Other bank balance	1,074.13	1,492.20
	(v) Loans	-	12.07
	(vi) Others	748.65	750.09
	(c) Other current assets	1,900.24	1,681.04
	Total current assets	12,197.03	14,728.02
	Total assets	21,542.17	22,494.59
	EQUITY & LIABILITIES		
	Equity		
	(a) Equity share capital	530.32	527.33
	(b) Other equity	13,016.57	12,371.17
		13,546.89	12,898.50
	(c) Non-controlling interest	4.72	3.68
	Total equity	13,551.61	12,902.18
	Liabilities		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	233.90	21.66
	(ii) Lease liability	75.13	43.69
	(b) Provisions	38.79	39.28
	(c) Deferred tax liabilities (net)	187.14	167.54
	Total non-current liabilities	534.96	272.17
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2,206.58	1,311.51
	(ii) Trade payables		
	- total outstanding dues of micro and small enterprise	99.79	147.76
	- total outstanding dues of other than micro and small enterprise	4,428.68	6,968.87
	(iii) Lease liability	24.29	14.42
	(iv) Other financial liabilities	373.90	479.30
	(b) Provisions	144.87	125.54
	(c) Current tax liabilities (net)	23.98	147.41
	(d) Other current liabilities	153.51	125.43
	Total current liabilities	7,455.60	9,320.24
	Total equity and liabilities	21,542.17	22,494.59



LAXMI ORGANIC INDUSTRIES LIMITED

CIN :L24200MH1989PLC051736

Statement of Unaudited Consolidated Cash Flows for the six months period ended September 30, 2022

(All figures are rupees in million unless otherwise stated)

Particulars	For the period ended September 30, 2022	For the period ended September 30, 2021
A. Cash flow from operating activities		
Profit / (loss) before exceptional items and tax	965.97	1,610.68
<u>Adjustments for:</u>		
Depreciation and amortisation expense	305.75	221.41
(Profit) / loss on sale / write off of assets	(0.32)	-
Interest Expense	61.41	20.73
Interest on direct tax	0.28	0.38
Interest income	(38.26)	(68.19)
Amortisation of upfront fees	-	10.79
Provision/ (reversal) of expected credit loss	24.20	0.05
Profit on sale of investments	(1.55)	(3.60)
Sundry balances written back	(9.56)	(13.35)
Net unrealised exchange (gain) / loss	19.91	11.89
ESOP compensation cost	42.77	130.75
Total of non cash adjustments	404.64	310.86
Operating profit / (loss) before changes in working capital	1,370.61	1,921.54
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	240.87	(239.89)
Trade receivables	2,072.18	(1,012.76)
Financial assets	12.03	(175.47)
Non financial assets	(207.35)	(458.07)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payable	(2,631.77)	170.16
Financial liabilities	(96.96)	(56.70)
Non financial liabilities	28.08	6.29
Provisions	(50.24)	7.89
Total of changes in working capital	(633.16)	(1,758.55)
Cash generated from operations	737.45	162.99
Net income tax (paid) / refunds	(311.56)	(178.65)
Net cash flow from operating activities (A)	425.89	(15.66)
B. Cash flow from investing activities		
Capital expenditure on property plant and equipment	(1,804.27)	(1,372.22)
Proceeds from sale of property plant and equipment	0.35	11.88
Movement in other bank balances	418.07	3,362.50
Loan Repaid	12.07	-
Equity Investments / Contribution in subsidiaries	(15.12)	-
Purchase of investments	(3,989.80)	(5,885.00)
Sale of investments	4,031.35	5,819.15
Interest received	29.74	32.45
Net cash flow used in investing activities (B)	(1,317.61)	1,968.76
C. Cash flow from financing activities		
Non-controlling interest	1.04	(1.82)
Proceeds from issue of share capital (including securities premium)	93.72	-
Proceeds from long term borrowings	250.00	-
Repayment of long term borrowings	(40.16)	(1,329.90)
Net proceeds from short term borrowings	897.48	(123.18)
Interest paid	(67.70)	(20.47)
<u>Lease liabilities:</u>		
Principal	(12.13)	(12.71)
Interest	(2.16)	(2.64)
Dividends paid	(185.37)	(131.83)
Net cash flow from / (used in) financing activities (C)	934.72	(1,622.55)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	43.00	330.55
Cash and cash equivalents at the beginning of the year	330.29	305.46
Cash and cash equivalents at the end of the year	373.29	636.01
	43.00	330.55
Components of Cash and Cash Equivalents		
Cash on hand	3.09	3.07
Balances with bank	370.20	244.84
Fixed Deposit (Original maturity within 3 months)	-	388.10
Total Balance	373.29	636.01



LAXMI ORGANIC INDUSTRIES LIMITED
CIN :L24200MH1989PLC051736

Notes to Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2022

- 1 The above Unaudited Consolidated Financial Results as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors in their meeting held on November 08, 2022.
- 2 The Statutory Auditors have carried out limited review of the aforesaid Unaudited Consolidated Financial Results and have issued their Unmodified Limited Review Report thereon.
- 3 The Group deals in 'chemicals business' and is of the view that it is a single business segment in accordance with Ind AS 108 - Operating Segments notified pursuant to Companies (Accounting Standards) Rules, 2015.
- 4 The scheme of merger of wholly owned subsidiary namely, Acetyls Holding Private Limited ('AHPL') and its step-down subsidiary namely, Yellowstone Chemicals Private Limited ('YCPL'), with the Company with the appointed date as of October 2, 2021 was approved by NCLT by passing a Final Order dated August 28, 2022 ('Final Order'). As specified in the Final Order the Company has filed Form INC-28 on September 30, 2022 and made the Final Order effective. Consequently, the Company has merged the financials of AHPL and YCPL in these Unaudited Consolidated Financial Result.
The impact of the merger has been given as per the scheme in the quarter ended September 30, 2022. Since the appointed date was October 2, 2021, the prior period comparatives of quarter ended June 30, 2022 and the year ended March 31, 2022 have been restated in these Unaudited Consolidated Financial Results for the purposes of comparability.
- 5 The Board of Directors, in its meeting held on May 04,2022, had recommended a dividend of 35% (Rs.0.70 per equity share) on the face value of Rs.2 per share of the Company for the financial year ended March 31,2022. The said dividend was approved by the shareholders in the Annual General Meetings of the Company held on July 29,2022 and has since been paid out.
- 6 During the quarter under review, the Company has allotted 65,895 equity shares equity shares of the face value of Rs.2/- each to the option grantees on September 1, 2022. Accordingly, the issued, subscribed and paid-up capital of the Company has increased from Rs. 530.19 million consisting of 26,50,95,078 Equity shares of Rs.2 each to Rs. 530.32 million consisting of 26,51,60,973 Equity shares of Rs.2 each. The basic and diluted EPS for quarter ended September 30, 2022 has been calculated in accordance with Ind As 33.
- 7 Figures for the previous period have been regrouped/ reclassified as required to conform to the figures of the current period.

For and on behalf of the Board of Directors
Laxmi Organic Industries Ltd

Ravi Goenka
Chairman and Managing Director
DIN-00059267
Place : Mumbai
Date : Novemeber 08, 2022

