

**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 / (loss) of its joint ventures and associates for the quarter and nine months ended December 31, 2021 ("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. 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.



# Natvarlal Vepari & Co.

## CHARTERED ACCOUNTANTS

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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                     |
|         | <b>Wholly owned Subsidiary</b>  |
| 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) |
| 10      | Acetyls Holding Private Limited                                       |
|         | <b>Step down Subsidiary</b>   |
| 11      | Saideep Traders   |
| 12      | Yellowstone Chemicals 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 six subsidiaries, whose financial statements reflect total assets of Rs. 3728.17 million as at December 31, 2021, total revenue of Rs.1,503.98 and 1,531.25 million for the quarter and nine months period ended respectively and net cash inflow amounting to Rs. (103.28) million for the nine months ended period December 31, 2021, 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.



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B) We did not review the financial results of four subsidiaries whose financial statements reflects total assets of Rs 2,000.81 million as at December 31, 2021, total revenue of Rs. 1,407.46 million and Rs.3,514.55 million for the quarter and nine months ended period and net cash inflow of Rs.9.02 million for the nine months ended period December 31, 2021. 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.

C) We also did not review one immaterial subsidiary whose financial statements reflect total assets of Rs. 5.29 million as at December 31, 2021 and total revenues for the quarter and nine months period ended Rs. NIL million and Rs. NIL million respectively and net cash inflow of Rs. 4.94 million for the nine months period ended December 31, 2021. This financial statement has 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 report is not modified on this account

8. The Statement includes the results for the quarter and Nine months period ended December 31, 2020, which has been prepared by the Management and not reviewed by us.(Refer Note 2 to the Statement)

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

  
N Jayendran  
Partner



M. No. 040441

Mumbai Dated: February 01,2022

UDIN: 22040441AAAAAD9731

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Months Ended December 31, 2021

(All figures are rupees in million unless otherwise stated)

| Sr. No. | Particulars   | Quarter ended   |                 |                 | Nine months ended |                  | Year ended       |
|---------|---|-----------------|-----------------|-----------------|-------------------|------------------|------------------|
|         |   | 31.12.2021      | 30.09.2021      | 31.12.2020      | 31.12.2021        | 31.12.2020       | 31.03.2021       |
|         |   | Unaudited       | Unaudited       | Unaudited       | Unaudited         | Unaudited        | Audited          |
| 1       | Income  |                 |                 |                 |                   |                  |                  |
|         | Revenue from operations   | 8,598.78        | 6,080.95        | 4,355.19        | 22,043.24         | 12,489.26        | 17,684.48        |
|         | Other income  | 20.20           | 66.78           | 19.15           | 129.72            | 28.64            | 46.13            |
|         | <b>Total income</b>   | <b>8,618.98</b> | <b>6,147.73</b> | <b>4,374.34</b> | <b>22,172.96</b>  | <b>12,517.90</b> | <b>17,730.61</b> |
| 2       | Expenses  |                 |                 |                 |                   |                  |                  |
|         | Cost of materials consumed  | 5,537.19        | 3,287.66        | 2,000.87        | 12,607.03         | 5,577.80         | 8,092.49         |
|         | Purchases of stock-in-trade   | 518.07          | 1,234.98        | 825.67          | 3,130.12          | 2,919.08         | 3,652.56         |
|         | Change in inventories of finished goods, work in progress and stock in trade              | (537.89)        | 172.42          | (132.87)        | (750.55)          | (8.12)           | (2.47)           |
|         | Employee benefits expense   | 334.78          | 284.94          | 214.94          | 921.65            | 572.27           | 929.01           |
|         | Finance cost  | 69.28           | 10.84           | 38.82           | 108.19            | 113.23           | 163.97           |
|         | Depreciation and amortisation expense   | 133.89          | 112.66          | 122.06          | 355.30            | 349.07           | 465.23           |
|         | Other expenses  | 1,560.05        | 792.15          | 770.03          | 3,186.93          | 1,897.72         | 2,845.72         |
|         | <b>Total expenses</b>   | <b>7,615.37</b> | <b>5,895.65</b> | <b>3,839.52</b> | <b>19,558.67</b>  | <b>11,421.05</b> | <b>16,146.51</b> |
| 3       | Profit before share of profit/(loss) of an associate/ joint venture and exceptional items | 1,003.61        | 252.08          | 534.82          | 2,614.29          | 1,096.86         | 1,584.11         |
|         | Share of profit/(loss) of a joint venture   | -               | -               | -               | -                 | -                | -                |
|         | <b>Profit/(loss) before exceptional items and tax</b>                                     | <b>1,003.61</b> | <b>252.08</b>   | <b>534.82</b>   | <b>2,614.29</b>   | <b>1,096.86</b>  | <b>1,584.11</b>  |
|         | Exceptional items   | -               | -               | -               | -                 | -                | -                |
|         | <b>Profit/(loss) before tax</b>   | <b>1,003.61</b> | <b>252.08</b>   | <b>534.82</b>   | <b>2,614.29</b>   | <b>1,096.86</b>  | <b>1,584.11</b>  |
| 4       | Tax expense   | 182.63          | 106.41          | 82.71           | 624.39            | 189.86           | 313.47           |
|         | -Current tax  | 208.70          | 75.68           | 74.82           | 571.14            | 192.45           | 277.13           |
|         | -Deferred tax   | (26.07)         | 30.73           | 7.89            | 53.25             | (2.59)           | 36.34            |
|         | -Income tax (excess)/short provision of previous year                                     | -               | -               | -               | -                 | -                | -                |
| 5       | <b>Profit for the period</b>  | <b>820.98</b>   | <b>145.67</b>   | <b>452.11</b>   | <b>1,989.90</b>   | <b>907.00</b>    | <b>1,270.64</b>  |
| 6       | Other comprehensive income (OCI)  |                 |                 |                 |                   |                  |                  |
|         | Remeasurement of the net defined benefit liability / asset (net of tax)                   | (4.55)          | 0.95            | (0.26)          | (14.07)           | 0.75             | (3.81)           |
|         | <b>Other comprehensive income/(loss) for the period</b>                                   | <b>(4.55)</b>   | <b>0.95</b>     | <b>(0.26)</b>   | <b>(14.07)</b>    | <b>0.75</b>      | <b>(3.81)</b>    |
| 7       | <b>Total comprehensive income/(loss) for the period</b>                                   | <b>816.43</b>   | <b>146.62</b>   | <b>451.85</b>   | <b>1,975.83</b>   | <b>907.75</b>    | <b>1,266.83</b>  |
| 8       | Profit/(loss) attributable to:  |                 |                 |                 |                   |                  |                  |
|         | Owners of the Company   | 820.83          | 145.67          | 452.11          | 1,989.75          | 907.00           | 1,270.34         |
|         | Non-controlling interest  | 0.15            | -               | -               | 0.15              | -                | 0.30             |
| 9       | Other comprehensive income attributable to:   |                 |                 |                 |                   |                  |                  |
|         | Owners of the Company   | (4.55)          | 0.95            | 0.65            | (14.07)           | 0.75             | (3.81)           |
|         | Non-controlling interest  | -               | -               | -               | -                 | -                | -                |
| 10      | Paid up share capital (face value Rs. 2/- per share)                                      | 527.33          | 527.33          | 450.16          | 527.33            | 450.16           | 527.33           |
| 11      | Other equity  |                 |                 |                 |                   |                  | 9,818.57         |
| 12      | Earnings per equity share (face value Rs. 2/- per share)                                  |                 |                 |                 |                   |                  |                  |
|         | Basic (Rs.)   | 3.11            | 0.55            | 2.01            | 7.55              | 4.03             | 5.59             |
|         | Diluted (Rs.)   | 3.07            | 0.54            | 2.01            | 7.43              | 4.03             | 5.58             |

Notes

- 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 February 1, 2022.
- The Company deals in 'chemicals business' and has only one reportable segment. This is consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker who is responsible for allocating resources and performance management has been identified as the
- In accordance with the terms of the Share Purchase Agreement dated December 9, 2020 and Prospectus dated March 18, 2021 the Company acquired 100% equity share capital of "Acetyls Holding Private Limited" on October 1, 2021 thereby making both Acetyls Holding Private Limited ('AHPL') and its wholly owned subsidiary ('WOS') Yellowstone Chemicals Private Limited ('YCPL') its WOS w.e.f. October 1, 2021. The results for the quarter and the nine months ended December 31, 2021 include the results of AHPL and YCPL w.e.f. October 1, 2021. The Company has also filed a scheme of merger before the National Company Law Tribunal (NCLT) on November 25, 2021 with the Appointed date for the merger is being October 2, 2021. Pending completion of the merger, no impact is taken in these financials.
- The specialty intermediates unit at Mahad which suffered an unprecedented flooding in the previous quarter operated at its optimum capacity during the quarter. The loss assessment and insurance survey are underway. Cost of goods sold and loss restoration expenses incurred have been adjusted based on management best estimate of insurance recovery.
- The Statement includes the results for the quarter and nine month period ended December 31, 2020, which has not been subjected to limited review by the statutory auditors. However, the management has exercised necessary diligence to ensure that such results provide a true and fair view of its affairs in accordance with Ind AS.
- Figures for the previous period have been regrouped/reclassified 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 : February 1, 2022

