

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 Report on Audit of Annual Standalone Financial Results and Review of Quarterly Financial Results

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

Opinion and Conclusion

We have

- a. Audited the Standalone Financial Results for the year ended March 31, 2023 and
- b. Reviewed the Standalone Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the quarter and year Ended March 31, 2023." of **Laxmi Organic Industries Limited** ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations")

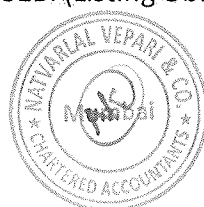
(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2023:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2023

With respect to the Standalone Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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)



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Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2023

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2023 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether



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due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2023 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.



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- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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(b) Review of the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2023 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company'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 SAs 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.

Other Matters

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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



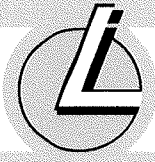
Nuzhat Khan
Partner

M. No. 124960

Mumbai, Dated: - May 12, 2023

UDIN: 23124960BGVGDB7234



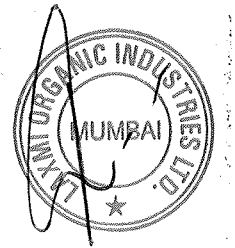
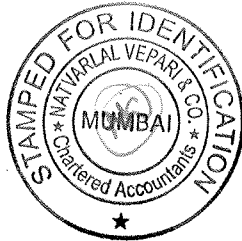
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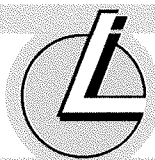
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Statement of Audited Standalone Financial Results for the Quarter and Year Ended March 31, 2023

(All figures are rupees in million unless otherwise stated)

Sr.	Particulars	Quarter Ended			Year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		Reviewed	Reviewed	Reviewed	Audited	Audited
1	Income					
	Revenue from operations	7,118.38	6,360.08	8,292.88	26,934.11	28,817.16
	Other income	60.80	77.76	45.52	261.20	210.74
	Total income	7,179.18	6,437.84	8,338.40	27,195.31	29,027.90
2	Expenses					
	Cost of raw materials consumed	4,072.36	4,313.58	5,816.22	16,802.67	18,207.24
	Purchases of stock-in-trade	272.17	48.38	248.91	691.42	2,105.94
	Change in inventories of finished goods, work in progress and stock in trade	408.52	(149.72)	(138.68)	296.86	(557.72)
	Employee benefits expense	281.45	277.66	301.78	1,108.80	1,162.58
	Finance cost	69.22	54.55	45.81	184.72	142.25
	Depreciation and amortisation expense	222.00	184.19	128.42	704.60	468.29
	Other expenses	1,410.49	1,284.52	1,513.05	5,572.09	4,563.38
	Total expenses	6,736.21	6,013.16	7,915.51	25,361.16	26,091.94
3	Profit/(loss) before tax	442.97	424.68	422.89	1,834.15	2,935.96
4	Tax expense	183.48	80.10	34.22	486.76	539.82
	- Current tax	149.51	(4.07)	106.99	367.93	558.70
	- Deferred tax	33.97	84.17	(18.06)	118.83	35.83
	-Income tax (excess) /short provision of previous year	-	-	(54.71)	-	(54.71)
7	Profit for the period	259.49	344.58	388.67	1,347.39	2,396.14
8	Other comprehensive income (OCI)	(3.34)	(0.39)	3.59	3.85	(11.97)
9	Total comprehensive income for the period	256.15	344.19	392.26	1,351.24	2,384.17
10	Paid up share capital (face value Rs. 2/- per share)	530.35	530.33	527.33	530.35	527.33
11	Other equity				13,667.54	12,296.99
12	Earnings per equity share (face value Rs. 2/- per share)					
	Basic (Rs)	0.98	1.30	1.47	5.08	9.09
	Diluted (Rs)	0.97	1.29	1.45	5.05	8.96





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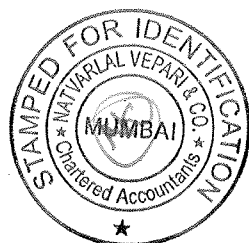
LAXMI ORGANIC INDUSTRIES LIMITED

CIN :L24200MH1989PLC051736

Standalone Statement of Assets and Liabilities as at March 31, 2023

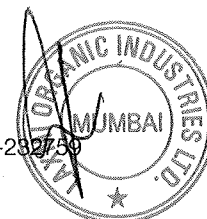
(Rs in Millions)

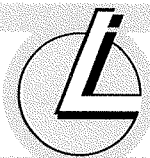
Particulars	As at March 31, 2023	As at March 31, 2022
	Audited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	6,892.39	3,582.87
Capital work-in-progress	878.59	1,770.99
Other intangible assets	4.49	7.65
Right of use assets	45.43	16.03
Financial assets		
Investments	2,674.30	108.89
Loans	1,219.60	2,071.96
Others	95.63	56.57
Other non-current assets	170.04	114.78
Total non-current assets	11,980.47	7,729.74
Current assets		
Inventories	2,423.32	3,226.93
Financial assets		
Investments	200.12	208.44
Trade receivables	5,372.52	6,245.96
Cash and cash equivalents	690.28	294.41
Other bank balance	486.54	1,473.24
Loans	-	-
Others	1,404.16	965.11
Other current assets	668.68	1,458.76
Total current assets	11,245.62	13,872.85
Non Current Assets held for Sale	61.60	61.60
Total assets	23,287.69	21,664.19
EQUITY & LIABILITIES		
Equity		
Equity share capital	530.35	527.33
Other equity	13,667.54	12,296.99
Total equity	14,197.89	12,824.32
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	1,303.40	21.66
Lease liability	26.43	1.06
Provisions	40.59	39.28
Deferred tax liabilities (net)	308.26	189.43
Other non-current liabilities	-	-
Total non-current liabilities	1,678.68	251.43
Current liabilities		
Financial liabilities		
Borrowings	2,368.51	960.86
Lease liability	18.42	8.72
Trade payables		
- total outstanding dues of micro and small enterprise	69.54	115.85
- total outstanding dues of other than micro and small enterprise	4,448.35	6,751.86
Other financial liabilities	273.60	464.64
Provisions	124.69	116.24
Current tax liabilities (net)	-	71.51
Other current liabilities	108.01	98.76
Total current liabilities	7,411.12	8,588.44
Total equity and liabilities	23,287.69	21,664.19



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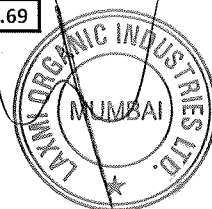
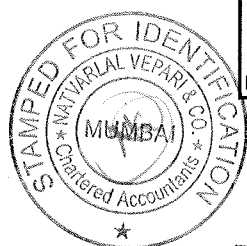


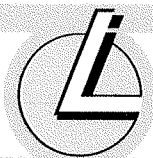
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LAXMI ORGANIC INDUSTRIES LIMITED
Standalone Statement of Cash flows for the year ended March 31, 2023
(All figures are rupees in million unless otherwise stated)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
A. Cash flow from operating activities		
Profit / (loss) before exceptional items and tax	1,834.15	2,935.94
Adjustments for:		
Depreciation and amortisation expense	704.60	468.29
(Profit) / loss on sale / write off of assets	(0.33)	(0.04)
Interest Expense	173.14	41.18
Interest on direct tax	1.60	9.05
Interest income	(215.63)	(175.58)
Guarantee commission	-	(0.64)
Amortisation of upfront fees	-	11.76
MTM on Financial Asset held as FVTPL	0.13	-
Profit on sale of investments	(6.96)	(5.62)
Provision/ (reversal) of expected credit loss	61.01	79.01
Sundry balances written back	(11.05)	(1.99)
ESOP compensation cost	114.17	231.32
Impairment of Subsidiary balances	(6.98)	41.17
Net unrealised exchange (gain) / loss	(5.44)	8.74
Total of non cash adjustments	808.26	706.64
Operating profit / (loss) before changes in working capital	2,642.41	3,642.58
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	803.60	(1,053.00)
Trade receivables	819.21	(2,005.36)
Financial assets	(454.53)	(434.18)
Non financial assets	781.40	(389.91)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payable	(2,336.40)	1,411.04
Non financial liabilities	8.61	(42.38)
Financial liabilities	(200.06)	(29.37)
Provisions	(37.48)	27.01
Total of changes in working capital	(615.65)	(2,516.14)
Cash generated from operations	2,026.75	1,126.45
Net income tax (paid) / refunds	(413.70)	(520.34)
Net cash flow from operating activities (A)	1,613.05	606.11
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment	(3,115.45)	(1,762.51)
Proceeds from sale of property, plant and equipment	0.33	(0.04)
Payment towards Business Purchase	-	(400.10)
Loans Given to Related Parties	(1,245.41)	(1,517.55)
Loans Repaid by Related Parties	2,097.54	106.40
Movement in other bank balances	986.55	3,744.32
Equity Investments / Contribution in subsidiaries	(15.12)	(50.00)
Investment in Preference shares	(2,372.51)	-
Purchase of Current investments	(10,049.50)	(10,355.00)
Sale of Current investments	9,897.31	10,340.61
Interest received	192.20	119.56
Net cash flow used in investing activities (B)	(3,624.06)	225.69



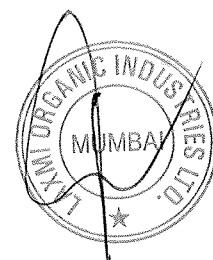
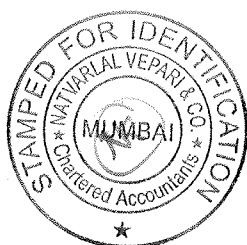


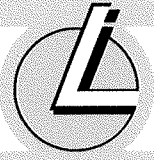
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Standalone Statement of Cash flows for the year ended March 31, 2023
(All figures are rupees in million unless otherwise stated)

Particulars	For the year ended March 31,2023	For the year ended March 31,2022
C. Cash flow from financing activities		
Proceeds from issue of share capital (including securities premium)	93.75	-
Proceeds from long term borrowings	1,400.00	-
Repayment of long term borrowings	(95.39)	(1,364.15)
Net Proceeds from short term borrowings	1,384.78	673.73
Interest paid	(170.42)	(30.98)
Lease Liabilities: Principal	(18.38)	(20.17)
Lease Liabilities: Interest	(1.88)	(1.41)
Dividends paid	(185.58)	(131.83)
Net cash flow from / (used in) financing activities (C)	2,406.88	(874.80)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	395.87	(43.00)
Cash and cash equivalents at the beginning of the year	294.41	124.51
Addition on account of business purchase	-	(212.90)
Cash and cash equivalents at the end of the year	690.28	294.41
	395.87	(43.00)
Components of cash and cash equivalents		
Cash on hand	2.87	2.62
Balances with bank	287.41	291.79
Fixed deposit	400.00	-
Total balance	690.28	294.41





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CIN :L24200MH1989PLC051736

Notes to audited Standalone Financial Results for the Quarter and the year ended March 31, 2023

- 1 The above Unaudited Standalone Financial Results as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors in their meeting held on May 12, 2023.
- 2 These standalone financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules 2015, as amended (Ind AS) prescribed under Section 133 of the Companies Act 2013 and other accounting principles generally accepted in India.
- 3 The Company 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 Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench, vide hearing convened on August 25, 2022, has sanctioned the Scheme of Merger by Absorption of Acetyls Holdings Private Limited (AHPL) and Yellowstone Chemicals Private Limited (YCPL) ("Transferor Companies") with the Company under Section 230 to Section 232 of the Companies Act, 2013 and thereby the books of accounts of AHPL has been merged with the Company w.e.f. the Appointed Date of October 2, 2021. Consequently, the aforesaid Standalone Financials Statements as on March 31, 2022 has been restated to give effect of the merger in accordance with Appendix C of Ind AS 103-Business Combinations.
- 5 The Board of Directors, in its meeting held on May 12, 2023, had recommended a dividend of 25% (Rs. 0.50 per equity share) on the face value of Rs.2 per share of the Company for the financial year ended March 31, 2023, subject to the approval of the shareholders at the ensuing Annual General Meeting.
- 6 During the year, the Company has allotted 15,13,435 equity shares of the face value of Rs.2/- each to the option grantees on exercise of the options. Accordingly, the issued, subscribed and paid-up capital of the Company has increased from Rs. 527.33 million consisting of 26,36,62,773 Equity shares of Rs.2 each to Rs. 530.35 million consisting of 26,51,76,208 Equity shares of Rs.2 each. The basic and diluted EPS in these financial results has been calculated in accordance with Ind AS 33.
- 7 Figures for the previous period have been regrouped as required to confirm to the figures of the current period.
- 8 The figures of the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the figures for the audited full financial year and year to date unaudited figures up to the third quarter of the respective financial years which were subjected to limited review by the statutory auditors.

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

Ravi Goenka
Executive Chairman
DIN-00059267
Place : Mumbai
Date : May 12, 2023

