

Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai-400 021. Tel: 67527100 Fax: 6752 7101 E-Mail: nvc@nvc.in

Independent Auditor's Review Report on Unaudited Standalone 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 standalone unaudited financial results ("the Statement") of Laxmi Organic Industries Limited ("the Company") for the quarter ended September 30, 2021, and the year to date results for the period April 01, 2021 to September 30, 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors. This statement 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 the relevant rules issued thereunder and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion in our report on this statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 financial statement is free of material misstatements. A review of interim financial information consists of making inquiries, primarily of persons responsible for accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards of 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. We have not performed an audit and, accordingly, we do not express an audit opinion.

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards as specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular bearing nos. as modified by Circular No. CIR / CFD / CMD / 15 / 2015 dated November 30, 2015 and CIR / CFD / FAC / 62 / 2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

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NEELAKANTAN JAYENDRAN
Date: 2021.11.02 20:36:15 +05'30'

N Jayendran
Partner
M. No. 040441
Mumbai Dated: November 2, 2021
UDIN: 21040441AAAACJ2963

LAXMI ORGANIC INDUSTRIES LIMITED

CIN :L24200MH1989PLC051736

Statement of Unaudited Standalone Financial Results for the Quarter Ended and Half Year Ended September 30, 2021

(Rs in Millions)

Sr. No.	Particulars	Quarter Ended			Six months ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income						
	Revenue from operations	5,262.92	6,897.27	3,914.16	12,160.19	7,450.87	16,061.10
	Other income	89.67	54.67	15.07	144.34	33.51	94.77
	Total income	5,352.59	6,951.94	3,929.23	12,304.53	7,484.39	16,155.87
2	Expenses						
	Cost of raw materials consumed	3,287.56	3,747.24	1,786.04	7,034.80	3,518.28	8,127.39
	Purchases of stock-in-trade	673.80	869.44	537.95	1,543.24	1,360.41	2,227.15
	Change in inventories of finished goods, work in progress and stock in	22.45	(186.89)	287.77	(164.44)	201.20	123.70
	Employee benefits expense	265.01	282.18	177.97	547.19	331.70	868.55
	Finance cost	8.82	25.11	32.64	33.93	68.76	153.40
	Depreciation and amortisation expense	109.51	105.59	111.87	215.11	220.75	452.64
	Other expenses	773.64	818.10	623.11	1,591.74	1,167.05	2,689.79
	Total expenses	5,140.80	5,660.77	3,557.35	10,801.57	6,868.14	14,642.62
3	Profit/(loss) before tax	211.79	1,291.17	371.88	1,502.96	616.25	1,513.25
4	Tax expense	108.59	304.39	51.15	412.98	109.04	287.74
	- Current tax	77.86	255.80	68.01	333.66	117.09	264.00
	- Deferred tax	30.73	48.59	(16.86)	79.32	(8.05)	23.74
7	Profit for the period	103.20	986.78	320.74	1,089.98	507.21	1,225.51
8	Other comprehensive income (OCI)	(0.85)	(9.57)	1.00	(10.42)	1.00	(0.32)
9	Total comprehensive income for the period	102.35	977.21	321.74	1,079.56	508.21	1,225.19
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						9,917.67
12	Earnings per equity share (face value Rs. 2/- per share) (Refer Note 5)						
	Basic (Rs)	0.39	3.74	1.42	4.13	2.25	5.40
	Diluted (Rs)	0.35	3.71	1.42	4.07	2.25	5.38

LAXMI ORGANIC INDUSTRIES LIMITED
CIN :L24200MH1989PLC051736
Statement of Unaudited Standalone Assets and Liabilities

(Rs in Millions)

Particulars	As At September 30, 2021	As At March 31, 2021
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,967.11	3,109.95
Capital work-in-progress	1,459.80	598.80
Other intangible assets	8.01	9.56
Right of use assets	25.29	34.56
Financial assets		
Investments	109.99	231.49
Loans	0.03	66.66
Others	94.49	54.17
Other non-current assets	477.01	443.23
Total non-current assets	5,141.74	4,548.42
Current assets		
Inventories	1,909.27	1,703.13
Financial assets		
Investments	262.25	20.00
Trade receivables	4,734.68	3,846.87
Cash and cash equivalents	567.08	263.81
Other bank balance	1,705.08	5,078.26
Loans	1,494.42	594.15
Others	621.11	396.53
Other current assets	1,192.20	896.38
Total current assets	12,486.09	12,799.13
Total assets	17,627.83	17,347.55
EQUITY & LIABILITIES		
Equity		
Equity share capital	527.33	527.33
Other equity	10,996.12	9,917.67
Total equity	11,523.45	10,445.00
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	58.50	98.66
Lease liability	5.40	9.78
Provisions	34.15	35.43
Deferred tax liabilities (net)	235.75	156.44
Other non-current liabilities	-	-
Total non-current liabilities	333.80	300.31
Current liabilities		
Financial liabilities		
Borrowings	393.27	1,477.71
Trade payables		
'- total outstanding dues of micro and small enterprise	239.18	131.27
'- total outstanding dues of other than micro and small enterprise	4,310.95	4,309.35
Lease liability	14.45	20.18
Other financial liabilities	346.75	404.03
Provisions	158.71	129.52
Current tax liabilities (net)	173.06	9.72
Other current liabilities	134.20	120.46
Total current liabilities	5,770.58	6,602.24
Total equity and liabilities	17,627.83	17,347.55

Figures of the previous period have been regrouped/reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

LAXMI ORGANIC INDUSTRIES LIMITED

CIN : L24200MH1989PLC051736

Statement of Unaudited Standalone Cash flows for the six months period ended September 30, 2021

Particulars	For the period ended September 30, 2021	For the period ended September 30, 2020
A. Cash flow from operating activities		
Profit / (loss) before exceptional items and tax	1,502.96	616.25
Adjustments for:	-	-
Depreciation and amortisation expense	215.11	220.75
Finance cost	15.75	65.25
Interest on direct tax	0.38	-
Interest income	(108.51)	(31.86)
Guarantee commission	(0.64)	(0.43)
Amortisation of upfront fees	10.79	2.84
Profit on sale of investments	(3.60)	-
Provision/ (reversal) of expected credit loss	0.05	(0.19)
Sundry balances written back	(13.35)	(0.32)
ESOP compensation cost	130.74	-
Net unrealised exchange (gain) / loss	12.73	(16.26)
Total of non cash adjustments	259.45	239.79
Operating profit / (loss) before changes in working capital	1,762.41	856.04
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(206.14)	338.36
Trade receivables	(889.76)	(186.81)
Financial assets	(167.15)	95.28
Non financial assets	(318.61)	149.46
Adjustments for increase / (decrease) in operating liabilities:		
Trade payable	122.58	(840.52)
Non financial liabilities	14.38	35.64
Financial liabilities	(57.28)	(28.10)
Provisions	7.77	(5.13)
Total of changes in working capital	(1,494.21)	(441.82)
Cash generated from operations	268.20	414.22
Net income tax (paid) / refunds	(160.98)	(103.07)
Net cash flow from operating activities (A)	107.22	311.14
B. Cash flow from investing activities		
Capital expenditure on PPE and Capital Work in progress	(934.33)	(117.65)
Proceeds from sale of property, plant and equipment	11.88	-
Loans Given to Related Parties	(880.19)	-
Loans Repaid by Related Parties	46.56	51.40
Capital advances	(22.53)	-
Movement in other bank balances	3,339.77	(289.60)
Equity Investments / Contribution in subsidiaries	(50.00)	-
Purchase of Current investments	(5,951.50)	(4.98)
Sale of Current investments	5,885.00	-
Interest received	33.68	14.07
Net cash flow used in investing activities (B)	1,478.34	(346.76)
C. Cash flow from financing activities		
Proceeds from long term borrowings	-	250.00
Repayment of long term borrowings	(1,326.82)	(213.12)
Net Proceeds from short term borrowings	202.22	8.45
Interest paid	(15.05)	(66.03)
Lease Liabilities: Principal	(10.11)	(9.49)
Lease Liabilities: Interest	(0.70)	(1.45)
Dividends paid	(131.83)	-
Net cash flow from / (used in) financing activities (C)	(1,282.29)	(31.65)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	303.27	(67.27)
Cash and cash equivalents at the beginning of the year	263.81	216.28
Cash and cash equivalents at the end of the year	567.08	149.01
Exchange fluctuation	-	0.00
	303.27	(67.27)
Components of cash and cash equivalents		
Cash on hand	2.31	2.75
Balances with bank	176.67	146.26
Fixed deposit	388.10	-
Total balance	567.08	149.01

LAXMI ORGANIC INDUSTRIES LIMITED

CIN :L24200MH1989PLC051736

Notes to Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2021

- 1 The above standalone unaudited 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 2, 2021.
- 2 The Statutory Auditor's have carried out Limited Review of the aforesaid results and have issued unmodified limited review report thereon.
- 3 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 Managing Director.
- 4 The specialty intermediates unit located at Mahad suffered an unprecedented flooding on July 21, 2021 causing very heavy loss and damages to the inventories, plant & machinery and properties. The unit was shut down for 45 days till it restarted on September 5, 2021 after restoring the critical equipment and reached full ramp-up towards the end of the quarter. The loss assessment and insurance survey is underway. Cost of Goods sold and loss restoration expenses incurred upto September 2021 have been adjusted based on management best estimate of insurance recovery
- 5 Pursuant to the recommendation and resolution passed at the meeting of the Board of Directors, the shareholders in their meeting held on November 24, 2020 approved the split of 1 equity share of the face value of Rs. 10/- each into 5 equity shares of the face value of Rs. 2/- each. Accordingly, the issued, subscribed and paid up capital of the Company was subdivided from 4,50,16,395 equity shares of face value of Rs. 10/- each to 22,50,81,975 equity shares of face value of Rs. 2/- each.
In accordance with Ind AS 33, the basic and diluted EPS for quarter ended September 30, 2020 has been calculated after taking the impact of share split as mentioned above.
- 6 The Company has carried out assessment of impact of COVID 19 on its business operation and liquidity position and has taken in to account all known events arising from the pandemic in the preparation of the standalone financial results. The Company will continue to monitor any material changes to future economic condition and consequential impacts on its financial results.
- 7 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 Vasudeo
Goenka**

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Vasudeo Goenka
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Ravi Goenka

Chairman and Managing Director

DIN-00059267

Place : Mumbai

Date : November 2, 2021

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NEELAKANTAN JAYENDRAN

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