



Valiant Organics Limited

November 08, 2022

To,
Listing/Compliance Department
BSE LTD.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

BSE Code-540145

To,
Listing/Compliance Department
**National Stock Exchange
of India Limited**
“Exchange Plaza “Plot No .C/1,
G Block Bandra –Kurla Complex,
Bandra (E), Mumbai -400051.
NSE Symbol- VALIANTORG

Sub: Outcome of Board Meeting.
Ref: Regulation 33 of SEBI (LODR) Regulations,2015.

Dear Sir / Madam,

We wish to inform you that Board of Directors at its Meeting held today i.e., **Tuesday, November 08,2022**, approved the Audited Standalone and Consolidated Financial Results of the Company for the Quarter and half year ended September 30, 2022.

Pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015 we enclose the following: -

- i. Audited Standalone and Consolidated Financial Results for the Quarter and half year ended September 30, 2022.
- ii. Audited Standalone and Consolidated Statements of Assets and Liabilities.
- iii. Audited Standalone and Consolidated Cash Flow Statement.
- iv. Auditor's Report on the Standalone and Consolidated Financial Results for the Quarter and half year ended September 30, 2022.

The meeting of the Board of Directors Commenced at 12:00 noon and concluded at 2:26 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For VALIANT ORGANICS LIMITED


Avani D. Lakhani
Company Secretary
ICSI M.NO: A47118



Valiant Organics Limited

Address - 109 UDYOG KSHETRA 1ST FLOOR MULUND GOREGAON LINK ROAD MULUND (W) MUMBAI MH 400080

CIN :- L24230MH2005PLC151348

ANNEXURE I

Statement of Standalone Audited Financial Results for the Quarter and Half year ended 30th Sep, 2022

Rs. In Lakhs (except EPS)

Sr. No.	Particulars	Standalone					
		Quarter Ended			6 Months Ended		Year Ended
		30-Sep 2022 (Audited)	30-June 2022 (Audited)	30-Sep 2021 (Audited)	30-Sep 2022 (Audited)	30-Sep 2021 (Audited)	31-Mar-2022 (Audited)
1	Income						
	Revenue from Operations	23,233.94	23,455.05	21,270.18	46,688.99	39,704.28	94,844.73
	Other Income	41.52	120.93	44.40	162.45	304.00	556.13
	Total Income	23,275.46	23,575.98	21,314.59	46,851.44	40,008.28	95,400.86
2	Expenses						
a)	Cost of Materials consumed	14,542.37	16,591.63	14,946.06	31,133.99	26,378.86	62,851.47
b)	Purchases of stock in Trade	275.99	291.77	579.41	567.76	729.98	1,708.65
c)	Changes in inventories of Finished Goods, WIP & Stock-In-Trade	892.50	(243.78)	(1,734.55)	648.72	(1,988.34)	(2,041.88)
d)	Employee benefit expenses	979.50	972.59	748.60	1,952.09	1,500.75	3,407.30
e)	Finance Cost	233.62	271.05	155.68	504.67	332.98	635.38
f)	Depreciation, Amortization and impairment Expense	679.59	643.15	625.81	1,322.74	1,241.21	2,729.44
g)	Other expenses	3,405.27	3,230.26	3,062.61	6,635.53	5,480.46	12,415.53
	Total Expenses	21,008.84	21,756.66	18,383.62	42,765.50	33,675.89	81,705.89
3	Profit/(Loss) before exceptional item & tax (1- 2)	2,266.62	1,819.31	2,930.97	4,085.93	6,332.39	13,694.97
4	Exceptional Items	-	-	-	-	-	-
5	Profit/ (Loss) before tax (3-4)	2,266.62	1,819.31	2,930.97	4,085.93	6,332.39	13,694.97
6	Tax expense (Net)						
(a)	Current Year Tax	425.11	360.00	600.00	785.11	1,250.00	2,840.00
(b)	Short / Excess Provision for Tax of Previous Years	-	0.01	-	0.01	-	(78.60)
(c)	Deferred Tax	132.90	80.11	180.07	213.00	266.02	639.75
	Total Tax expense (Net)	558.01	440.12	780.07	998.13	1,516.02	3,401.15
7	Net Profit/ (Loss) for the period (5-6)	1,708.61	1,379.20	2,150.90	3,087.81	4,816.37	10,293.82
8	Other Comprehensive Income						
	Item that will not to be reclassified to statement of Profit and Loss						
	Remeasurement of defined benefit Liability/ Assets, net of Taxes	(10.62)	-	(28.72)	(10.62)	(28.72)	(7.06)
	Fair value changes on Investments, net of Taxes	12.82	(66.62)	15.47	(53.80)	73.12	78.94
	Total Other Comprehensive Income	2.20	(66.62)	(13.26)	(64.42)	44.39	71.88
9	(Total of profit and other comprehensive income for the year) (7+8)	1,710.81	1,312.58	2,137.65	3,023.39	4,860.77	10,365.71
10	Other Equity excluding revaluation reserve				59,645.93	52,122.20	57,557.16
11	Paid up equity share capital (face value of Rs.10 each)	2,715.35	2,715.35	2,715.35	2,715.35	2,715.35	2,715.35
	Earning per equity share (in Rs.) (not annualised)						
(a)	Basic	6.29	5.08	7.92	11.37	17.74	37.91
(b)	Diluted	6.11	4.93	7.69	11.04	17.22	36.81

Notes:

- The above results for the Quarter and half year ended 30th Sep, 2022 have been reviewed by the Audit Committee in their meeting held on 8th Nov, 2022 and approved by the Board of Directors in their meeting held on 8th Nov, 2022.
- The Company is operating as a single segment company, engaged in manufacturing of chemicals business, and hence there is no separate reportable business segment.
- Diluted EPS figures have been calculated after assuming remaining 4,05,561 OCPS being converted into equity shares and eligible to receive Bonus equity shares in the ratio of 1:1.
- Pursuant to the scheme of arrangement with Amarjyot Chemical Limited, OCPS was supposed to be converted into equity shares or into Redeemable Preference Shares (RPS) before February 2022. However, on obtaining consent from OCPS shareholders for conversion into equity shares, the Company filed application on November 23, 2021. Pending formal approval from the regulator, the Board of Directors has approved extension in timeline for such conversion in its meeting held on 30 April 2022.
- The aforesaid Audited Financial results will be uploaded on the company's website www.valiantorganics.com and will also be available on the websites of BSE Limited i.e. www.bseindia.com / NSE Limited i.e. www.nseindia.com
- H1'23 results are subdued owing to the incident occurred at Sarigam on 3rd June 2022. The damage is fully covered by insurance and the operations have been restored at the plant.
- Figures for the previous period have been regrouped or rearranged wherever necessary.

Place : Mumbai
Date - 8th Nov, 2022



Mr Arvind Chheda
Managing Director
DIN - 00299741

Valiant Organics Limited
Address - 109 UDYOG KSHETRA 1ST FLOOR MULUND GOREGAON LINK ROAD MULUND (W) MUMBAI MH 400080
CIN :- L24230MH2005PLC151348

ANNEXURE I

Statement of Consolidated Audited Financial Results for the Quarter and Half year ended 30th Sep, 2022

Rs. In Lakhs (except EPS)

Sr. No.	Particulars	Consolidated					
		Quarter Ended			6 Months Ended		Year Ended
		30-Sep 2022 (Audited)	30-June 2022 (Audited)	30-Sep 2021 (Audited)	30-Sep 2022 (Audited)	30-Sep 2021 (Audited)	31-Mar-2022 (Audited)
1	Income						
	Revenue from Operations	26,407.20	26,596.34	27,315.62	53,003.54	51,724.89	1,15,327.11
	Other Income	188.18	191.53	168.46	379.70	263.23	741.75
	Total Income	26,595.38	26,787.86	27,484.08	53,383.24	51,988.12	1,16,068.86
2	Expenses						
a)	Cost of Materials consumed	16,099.86	18,834.06	19,318.95	34,933.92	35,336.01	78,088.75
b)	Purchases of stock in Trade	275.99	291.77	579.41	567.76	729.98	1,708.65
c)	Changes in inventories of Finished Goods, WIP & Stock-In-Trade	959.51	(198.48)	(1,563.55)	761.03	(1,763.07)	(2,255.66)
d)	Employee benefit expenses	1,081.92	1,050.66	840.23	2,132.57	1,643.31	3,715.99
e)	Finance Cost	250.60	272.71	156.62	523.32	343.69	647.93
f)	Depreciation, Amortization and impairment Expense	716.26	678.42	682.05	1,394.68	1,355.88	2,961.89
g)	Other expenses	3,801.31	3,429.77	3,407.62	7,231.08	6,011.15	13,584.29
	Total Expenses	23,185.45	24,358.91	23,421.34	47,544.37	43,656.94	98,451.84
3	Profit/(Loss) before exceptional item & tax (1-2)	3,409.92	2,428.95	4,062.75	5,838.87	8,331.18	17,617.02
4	Exceptional Items						
5	Profit/ (Loss) before tax (3-4)	3,409.92	2,428.95	4,062.75	5,838.87	8,331.18	17,617.02
6	Tax expense (Net)						
(a)	Current Year Tax	708.81	483.30	885.48	1,192.11	2,204.92	4,286.21
(b)	Short / Excess Provision for Tax of Previous Years	-	160.33	-	160.33	-	(78.60)
(c)	Deferred Tax	144.67	93.20	180.01	237.87	265.91	618.12
	Total Tax expense (Net)	853.48	736.83	1,065.49	1,590.31	2,470.83	4,825.74
7	Net Profit/ (Loss) for the period (5-6)	2,556.44	1,692.12	2,997.26	4,248.56	5,860.35	12,791.28
8	Other Comprehensive Income						
	Item that will not to be reclassified to statement of Profit and Loss						
	Remeasurement of defined benefit Liability/Assets, net of Taxes	(10.62)		(28.72)	(10.62)	(28.72)	(22.05)
	Fair value changes on Investments, net of Taxes	12.82	(49.35)	15.47	(36.53)	73.12	81.63
	Total Other Comprehensive Income	2.20	(49.35)	(13.26)	(47.15)	44.39	59.57
9	(Total of profit and other comprehensive income for the year) (7+8)	2,558.64	1,642.77	2,984.00	4,201.41	5,904.74	12,850.85
10	Other Equity excluding revaluation reserve				61,207.16	52,527.56	58,559.05
11	Profit attributable to :						
	Owners of the Company	2,096.20	1,543.05	2,559.10	3,639.25	5,224.54	11,328.38
	Non- Controlling Interest	460.24	149.07	438.16	609.31	635.81	1,462.90
	Total Comprehensive Income attributable to :						
	Owners of the Company	2,098.40	1,484.32	2,545.84	3,582.72	5,268.93	11,394.63
	Non- Controlling Interest	460.24	158.44	438.16	618.68	635.81	1,456.22
12	Paid up equity share capital (face value of Rs.10 each)	2,715.35	2,715.35	2,715.35	2,715.35	2,715.35	2,715.35
	Earning per equity share (in Rs.) (not annualised)						
(a)	Basic	7.72	5.68	9.42	13.40	19.24	41.72
(b)	Diluted	7.50	5.52	9.15	13.01	18.68	40.51

Place : Mumbai
Date - 8th Nov, 2022



Mr Arvind Chheda
Managing Director
DIN - 00299741

Valiant Organics Limited

Address - 109 UDYOG KSHETRA 1ST FLOOR MULUND GOREGAON LINK ROAD MULUND (W) MUMBAI MH 400080

CIN :- L24230MH2005PLC151348

ANNEXURE II

Standalone and Consolidated Statement of Assets and Liabilities as on 30th Sep, 2022

Rs. In Lakhs

Particulars	Standalone		Consolidated	
	30-Sep 2022	31-Mar-2022	30-Sep 2022	31-Mar-2022
	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	51,425.34	50,848.91	53,746.37	53,026.24
(b) Right of use Assets	53.63	38.65	89.94	84.02
(c) Capital work-in-progress	13,282.93	11,016.27	13,577.83	11,160.73
(d) Other Intangible Assets	0.64	0.18	0.64	0.18
(e) Goodwill on consolidation	-	-	1,232.76	1,232.76
(f) Financial Assets				
(i) Investment in Subsidiaries	4,893.01	5,010.44	-	-
(ii) Other Investments	261.73	324.54	261.73	324.54
(iii) Loans	527.41	521.64	596.45	580.40
(g) Other non-current assets	495.40	113.71	495.40	113.71
Total Non-Current Assets	70,940.09	67,874.34	70,001.13	66,522.60
Current assets				
(a) Inventories	8,913.93	9,734.37	9,736.33	11,363.72
(b) Financial Assets				
(i) Investments	16.60	13.82	5,694.69	456.49
(ii) Trade Receivables	18,991.75	25,316.27	24,442.79	32,093.68
(iii) Cash and Cash Equivalents	1,131.31	2,296.58	1,163.46	2,504.68
(iv) Bank Balances Other than Cash & Cash Equivalents	33.59	33.55	33.59	2,033.55
(v) Loans	52.71	46.45	54.48	46.59
(vi) Other	25.63	32.20	28.46	34.46
(c) Other Current Assets	2,739.74	2,165.40	3,241.99	2,326.09
(d) Current Tax Assets (Net)	1,024.41	775.01	1,025.95	1,092.75
Total Current Assets	32,929.66	40,413.66	45,421.74	51,952.03
TOTAL ASSETS	1,03,869.75	1,08,288.01	1,15,422.87	1,18,474.62
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	2,715.35	2,715.35	2,715.35	2,715.35
(b) Optionally Convertible Preference Shares	40.56	40.56	40.56	40.56
(c) Other Equity	59,645.93	57,557.16	61,207.16	58,559.05
(d) Non Controlling Interests	-	-	4,194.09	3,575.41
Total Equity	62,401.83	60,313.07	68,157.15	64,890.36
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	8,934.56	9,397.35	10,109.11	10,576.85
(ii) Lease Liabilities	30.72	21.83	53.31	54.06
(b) Provisions	108.06	105.19	125.55	105.19
(c) Deferred Tax Liabilities (net)	2,831.32	2,626.57	2,888.02	2,661.05
Total non-current liabilities	11,904.66	12,150.94	13,175.99	13,397.15
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15,686.87	21,097.02	19,737.82	25,680.66
(ii) Lease Liabilities	24.11	19.15	37.06	31.46
(iii) Trade Payables				
A) Total Outstanding Dues of Micro enterprises and Small Enterprises; and	85.11	85.11	85.11	85.11
B) Total Outstanding dues of Creditors other than Micro enterprises and small enterprises	11,399.30	12,620.80	11,624.14	12,293.72
(iv) Other Financial Liabilities	1,675.61	1,537.45	1,811.43	1,614.91
(b) Other Current Liabilities	353.45	219.90	469.55	237.47
(c) Provisions	338.80	244.57	324.61	243.78
Total Current Liabilities	29,563.25	35,824.01	34,089.72	40,187.12
TOTAL EQUITY AND LIABILITIES	1,03,869.75	1,08,288.01	1,15,422.87	1,18,474.62

Previous period figures are regrouped / rearranged wherever required.



Mr. Arvind Chheda
(Managing Director)
DIN: 00299741

Place : Mumbai
Date - 8th Nov, 2022

VALIANT ORGANICS LIMITED
Address - 109 UDYOG KSHETRA 1ST FLOOR MULUND GOREGAON LINK ROAD MULUND (W) MUMBAI MH 400080
CIN :- L24230MH2005PLC151348

Standalone and Consolidated Cash Flow Statement as on 30th Sep, 2022

Particulars	Rs. In Lakhs			
	Standalone		Consolidated	
	30-Sep 2022 (Audited)	30-Sep 2021 (Audited)	30-Sep 2022 (Audited)	30-Sep 2021 (Audited)
(A) Cash Flow from Operating Activities				
Net Profit for the period				
Adjustments For:	4,085.93	6,332.40	5,838.87	8,331.18
Add:				
Finance Cost				
Loss on Investment in Subsidiary	504.67	332.98	523.32	343.69
Depreciation, Amortization and impairment Expense	117.42	-	-	-
Forex Loss / (Gain)	1,322.74	1,241.21	1,394.68	1,355.88
Less:				
Interest Income			124.01	(44.12)
Lease Rent	7.28	2.23	32.42	21.53
Profit on Investment in Subsidiary	-	-	94.70	96.36
Dividend Income	-	233.89	-	-
Operating Profit Before Working Capital Changes	0.45	0.02	0.45	0.02
Adjustments for:	6,162.20	7,699.48	7,753.31	9,868.72
(Increase) / Decrease in Trade Receivables				
(Increase) / Decrease in Inventories	6,324.53	(4,107.06)	7,650.88	(6,296.27)
(Increase) / Decrease in Loans	820.45	(1,983.85)	1,627.39	(1,725.73)
(Increase) / Decrease in Other Current Assets	(12.03)	(7.20)	(17.92)	(349.04)
(Increase) / Decrease in Other non-Current Assets	(577.12)	134.06	(467.41)	(140.02)
Increase / (Decrease) in Trade Payable	(180.01)	(152.51)	62.81	-
Increase / (Decrease) in Provisions	(1,221.50)	4,109.27	(551.14)	4,051.86
Increase / (Decrease) in Other Current Liabilities	97.10	(12.13)	86.79	59.51
Increase / (Decrease) in Financial Liabilities	202.98	128.58	232.09	314.04
Cash Generated from Operations	138.16	(467.74)	179.57	(1,107.28)
Less:				
Direct Taxes Paid	11,754.76	5,340.90	16,556.36	4,675.79
Cash Flow Before Extraordinary item	(785.12)	(1,361.00)	(1,352.44)	(2,315.92)
Net Cash From Operating Activities (A)	10,969.64	3,979.90	15,203.92	2,359.87
(B) Cash Flow From Investing Activities	10,969.64	3,979.90	15,203.92	2,359.87
Addition to Property, Plant and Equipment / CWIP (net)	(4,446.77)	(7,260.39)	(5,122.45)	(7,333.30)
Sales Proceeds of Property, Plant and Equipment (PPE)	-	-	3.45	-
Investment in Mutual fund	-	-	(5,238.20)	-
Bank Balances not considered as Cash and Cash Equivalents	(0.04)	276.60	1,999.96	(573.40)
Capital Advances	(381.69)	106.06	(381.69)	106.06
Interest Income	7.28	2.23	32.42	21.53
Investment in Subsidiary	0.00	(835.94)	-	-
Dividend Income	0.45	0.02	0.45	0.02
Lease Rent	-	-	94.70	96.36
Net Cash from Investing Activities (B)	(4,820.77)	(7,711.43)	(8,611.35)	(7,682.73)
(C) Cash Flow From Financing Activities				
Proceeds / (Repayment) of Short Term Borrowings	(5,391.72)	2,301.41	(6,011.61)	3,516.74
Proceeds/(Repayment) of Long Term Borrowings	(481.22)	1,993.65	(467.74)	2,065.73
Payment of Lease Liability	13.85	-	19.25	-
Dividend & Tax thereon	(950.37)	-	(950.37)	-
Interest Paid	(504.67)	(332.98)	(523.32)	(343.69)
Stamp Duty paid on Equity	-	(212.54)	-	(212.54)
Net Cash from/(Used) in Financing Activities (C)	(7,314.13)	3,749.54	(7,933.79)	5,026.24
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(1,165.27)	18.01	(1,341.22)	(296.62)
Opening Balance of Cash and Cash Equivalents	2,296.58	863.00	2,504.68	1,283.34
Closing Balance of Cash and Cash Equivalents including Other Bank Balances	1,131.31	881.02	1,163.46	986.72

Previous period's figures are regrouped / rearranged wherever required.

Place : Mumbai
Date - 8th Nov, 2022



Mr. Arvind Chheda
(Managing Director)
DIN: 00299741



Independent Auditors' Report

To Board of Directors of Valiant Organics Limited

Report on Audit of Standalone Audited Financial Results

Opinion

We have audited the accompanying standalone financial results of Valiant Organics Limited ("the Company") for quarter ended 30 September 2022 and year to date results for the period 1 April 2022 to 30 September 2022 ("the financial results") attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

1. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
2. give a true and fair view in conformity 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 thereunder and other accounting principles generally accepted in India of the net profit and total other comprehensive income, and other financial information of the Company for quarter ended 30 September 2022 and year to date results for the period 1 April 2022 to 30 September 2022.

Basis for Opinion

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





Emphasis of Matter

Pursuant to the Scheme of Merger by Absorption, Optionally Convertible Preference Shares (OCPS) allotted to the shareholders were to be converted into Equity Shares within eighteen (18) months from the date of receipt of trading approval from the Stock Exchanges. In this regard, the Company had filed an application for conversion of outstanding OCPS into Equity Shares on 23 November 2021. Further pending response from the Regulator, the Board of Directors in its meeting held on 30 April 2022 has considered the extension in timeline for such conversion. Under these circumstances, the Company has continued to disclose 4,05,561 OCPS under equity at par value as on 30 September 2022 in standalone financial results. (Refer Note no 4 to the financial results).

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

These quarterly and year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results 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 Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act 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 of 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 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the management and the Board of Directors are 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 management and 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 is also responsible for overseeing the financial reporting process of the Company.





Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are 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 these 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 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 and related disclosures made by the management and the Board of Directors.
- 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 Company's ability 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 financial results 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 standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.





Materiality is the magnitude of misstatements in the standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

For GOKHALE & SATHE
CHARTERED ACCOUNTANTS
Firm Registration No.: 103264W

Tejas Parikh
Partner
Membership No. 123215
UDIN: 22123215BCLVHJ3497
Place: Mumbai
Date: 8 November 2022





Independent Auditors' Report

To Board of Directors of Valiant Organics Limited

Report on Audit of Consolidated Audited Financial Results

Opinion

We have audited the accompanying consolidated financial results of Valiant Organics Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") for quarter ended 30 September 2022 and year to date results for the period 1 April 2022 to 30 September 2022 ("the financial results") attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

1. include the results of the following subsidiaries:
 - i. Valiant Speciality Chemical Limited
 - ii. Dhanvallabh Ventures LLP
 - iii. Valiant Laboratories Limited (through Dhanvallabh Ventures LLP)
 - iv. Valiant Advanced Sciences Private Limited (through Valiant Laboratories Limited)
2. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
3. give a true and fair view in conformity 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 thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated total other comprehensive income and other financial information of the Group for quarter ended 30 September 2022 and year to date results for the period 1 April 2022 to 30 September 2022.

Basis for Opinion

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results 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 Code of Ethics. We believe





that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Pursuant to the Scheme of Merger by Absorption, Optionally Convertible Preference Shares (OCPS) allotted to the shareholders were to be converted into Equity Shares within eighteen (18) months from the date of receipt of trading approval from the Stock Exchanges. In this regard, the Company had filed an application for conversion of outstanding OCPS into Equity Shares on 23 November 2021. Further pending response from the Regulator, the Board of Directors in its meeting held on 30 April 2022 has considered the extension in timeline for such conversion. Under these circumstances, the Company has continued to disclose 4,05,561 OCPS under equity at par value as on 30 September 2022 in consolidated financial results. (Refer Note no 4 to the financial results).

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

These quarterly and year to date consolidated financial results have been prepared on the basis of the interim financial statements. The Holding Company's Board of Directors are responsible for the preparation of these financial results 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 Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also include maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial results, the respective management and the Board of Directors/Partners of the entities/companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and the Board of Directors/Partners either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.





The respective Board of Directors/Partners of the entities/companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are 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 these 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 consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and the Board of Directors.
- 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 Group's ability 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 financial results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.





- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group, to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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.

We also performed procedures in accordance with the circular issued by SEBI under regulation 33(8) of the listing regulations, as amended, to the extent applicable.

Other Matters

The consolidated financial results include the audited financial results of three subsidiaries, whose interim financial Results/ financial information reflects total assets of Rs 26062.40 lakhs as at 30 September 2022, and total revenues of Rs. 8795.80 lakhs and Rs. 17186.57 lakhs and total net profit after tax of Rs.865.78 lakhs and Rs. 1068.52 lakhs for the quarter ended 30 September 2022 and for the period 1 April 2022 to 30 September 2022 respectively, and cash outflows (net) of Rs 1341.07 lakhs for the period from 1 April 2022 to 30 September 2022 as considered in the consolidated financial results, which have been audited by their respective independent auditors. The independent auditors' reports on interim/annual financial statements/Financial Results/financial information of these entities have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.





Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

Our conclusion is not modified in respect of this matter.

For GOKHALE & SATHE
CHARTERED ACCOUNTANTS
Firm Registration No.: 103264W

Tejas Parikh
Partner
Membership No. 123215
UDIN: 22123215BCLVHY5775
Place: Mumbai
Date: 8 November 2022

