

# MEGHMANI ORGANICS LIMITED



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09/11/2019

To

National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East) <u>Mumbai 400 051</u>	BSE Limited Floor- 25, P J Tower, Dalal Street, <u>Mumbai 400 001</u>
<b>SYMBOL:- MEGH</b>	<b>Scrip Code 532865</b>

Dear Sir/s

Sub:- **Unaudited Financial Results (Consolidated & Standalone) of the Second Quarter & Half Year ended on 30<sup>th</sup> September, 2019 with Limited Review Report thereon.**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith Un Audited Financial Results (Consolidated & Standalone) of the Second Quarter & Half Year ended on **30<sup>th</sup> September, 2019** reviewed by Audit Committee and approved by Board of Directors at their meeting held today i.e. on **9<sup>th</sup> November, 2019** at their meeting Commenced at 12.00 Noon and concluded at **1.30 p.m.** at Ahmedabad.

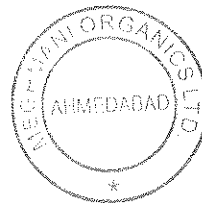
The statutory auditors have also carried out a limited review. The Limited Review Report of M/s S R B C & CO LLP, Chartered Accountants on Un-audited Financial Results for the Second Quarter & Half Year ended **30<sup>th</sup> September, 2019** is also forwarded herewith.

Thanking you.

Yours faithfully,  
For Meghmani Organics Limited

*K D Mehta*

**K D Mehta**  
**Company Secretary & Compliance Officer**



Encl: - As above

C C to: - Singapore Stock Exchange: - For information of Members

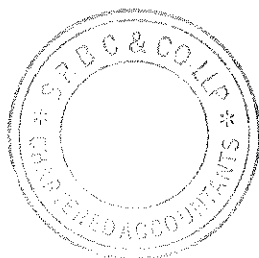


## Statement of Unaudited Consolidated Financial Results for the Quarter and half year ended September 30, 2019

(Rs. in Lakhs, except as stated otherwise)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	53,240.91	61,620.29	50,140.42	1,14,861.20	97,788.31	2,08,795.85
II	Other income	1,788.15	377.90	1,714.85	2,168.05	3,129.16	3,320.38
III	<b>Total income (I+II)</b>	<b>55,029.06</b>	<b>61,998.19</b>	<b>51,855.27</b>	<b>1,17,027.25</b>	<b>1,00,917.47</b>	<b>2,12,116.23</b>
IV	<b>EXPENSES</b>						
	(a) Cost of materials consumed	31,601.50	28,450.85	27,193.78	60,052.35	51,515.88	1,08,891.28
	(b) Purchases of stock-in-trade	907.31	1,156.84	1,380.18	2,063.95	3,920.01	5,687.38
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,982.00)	7,093.26	(3,397.13)	3,111.26	(7,320.72)	(11,283.36)
	(d) Employee benefits expense	3,354.78	3,556.78	3,716.42	6,911.56	5,869.55	12,467.47
	(e) Finance costs	606.48	735.30	1,683.30	1,341.78	3,028.42	5,599.21
	(f) Depreciation and amortisation expense	2,203.09	2,186.03	2,448.93	4,389.12	4,877.53	9,725.94
	(g) Other expenses	10,333.05	7,852.78	9,568.61	18,185.83	19,726.40	38,585.57
	<b>Total expenses (IV)</b>	<b>45,024.21</b>	<b>51,031.64</b>	<b>42,594.09</b>	<b>86,055.85</b>	<b>81,617.07</b>	<b>1,69,673.49</b>
V	<b>Profit before exceptional items and tax (III - IV)</b>	<b>10,004.85</b>	<b>10,966.55</b>	<b>9,261.18</b>	<b>20,971.40</b>	<b>19,300.40</b>	<b>42,442.74</b>
VI	Exceptional items (net) (refer note 4)	-	-	-	-	-	1,586.78
VII	<b>Profit before tax (V - VI)</b>	<b>10,004.85</b>	<b>10,966.55</b>	<b>9,261.18</b>	<b>20,971.40</b>	<b>19,300.40</b>	<b>40,855.96</b>
VIII	Tax expense (refer note 6)						
	(1) Current tax	1,332.48	3,010.86	1,846.32	4,343.34	5,217.86	10,593.04
	(2) Net deferred tax expense / (benefit)	(1,077.07)	175.08	1,238.82	(901.99)	199.18	726.20
IX	<b>Net Profit for the period from continuing operations (VII-VIII)</b>	<b>9,749.44</b>	<b>7,780.61</b>	<b>6,176.04</b>	<b>17,530.05</b>	<b>13,883.36</b>	<b>29,536.72</b>
X	<b>Net Profit for the period (X)</b>	<b>9,749.44</b>	<b>7,780.61</b>	<b>6,176.04</b>	<b>17,530.05</b>	<b>13,883.36</b>	<b>29,536.72</b>
XI	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss in subsequent periods	(60.04)	(54.86)	(69.64)	(114.90)	(63.80)	(196.33)
	(ii) Income tax relating to items that will not be reclassified to profit or loss as mentioned above	12.86	19.17	24.33	32.03	22.29	68.61
	B (i) Items that will be reclassified to profit or loss in subsequent periods	8.72	0.01	21.09	8.73	42.90	34.14
	(ii) Income tax relating to items that will be reclassified to profit or loss as mentioned above	(3.05)	-	(7.37)	(3.05)	(14.99)	(11.93)
XII	<b>Total Comprehensive Income for the period (X + XI) (comprising Profit / Loss and Other Comprehensive income for the period)</b>	<b>9,707.93</b>	<b>7,744.93</b>	<b>6,144.45</b>	<b>17,452.86</b>	<b>13,869.76</b>	<b>29,431.21</b>
	<b>Profit attributable to:</b>						
	Owners of the Company	8,434.75	5,686.20	5,484.24	14,120.95	11,850.42	25,127.25
	Non-controlling interests	1,314.89	2,094.41	691.80	3,409.10	2,032.94	4,409.47
	<b>Other Comprehensive Income attributable to:</b>						
	Owners of the Company	(37.07)	(31.25)	(27.61)	(68.32)	(9.92)	(95.83)
	Non-controlling interests	(4.44)	(4.43)	(3.98)	(8.87)	(3.68)	(9.68)
	<b>Total Comprehensive Income attributable to:</b>						
	Owners of the Company	8,397.68	5,654.95	5,456.63	14,052.63	11,840.50	25,031.42
	Non-controlling interests	1,310.25	2,089.98	687.82	3,400.23	2,029.26	4,399.79
XIII	Paid up equity share capital (face value of Rs. 1 each)	2,543.14	2,543.14	2,543.14	2,543.14	2,543.14	2,543.14
XIV	Other equity excluding revaluation reserves						97,816.89
XV	Earnings per share (of Rs. 1 each) after exceptional item (not annualised for quarters and half years)						
	Basic (in rupees)	3.31	2.24	2.16	5.55	4.66	9.88
	Diluted (in rupees)	3.31	2.24	2.16	5.55	4.66	9.88

See accompanying notes to the consolidated financial results



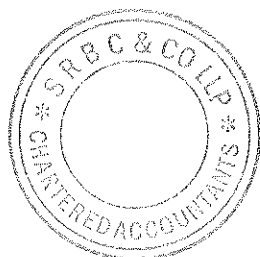
**Notes to consolidated financial results:**

- 1 The above statement of unaudited Consolidated Financial results for the quarter and half year ended September 30, 2019 ('the Statement') of Meghmani Organics Limited ('the Company') and its subsidiaries is reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on November 9, 2019 and is subjected to limited review by the Statutory Auditors. The consolidated financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.
- 2 As per Ind AS 108 "Operating Segment" Company has reported segment information under three segments: 1) Pigments 2) Agro-chemicals and 3) Chloro Alkali and its Derivatives.
- 3 The Statement includes results of the following subsidiaries:  
 1. Meghmani Finechem Limited  
 2. Meghmani Organics Inc. USA  
 3. P T Meghmani Indonesia  
 4. Meghmani Overseas FZE
- 4 The exceptional item for the year ended March 31, 2019 includes loss on account of fire on March 26, 2019 at a manufacturing facility of the Company in Dahej location. Loss on fire included inventory, Property Plant and Equipment and other ancillary expenses of INR 1,586.78 lakhs as assessed by management and was charged to Statement of Profit and Loss for the quarter and year ended March 31, 2019 in line with requirements of Ind AS 16. The Company has All Risk Insurance Policy (including Loss of Profit Policy) and is fully covered for insurance claim. Management has submitted requisite information to the surveyor and insurance company, however preliminary assessment / claim report is awaited from the Insurance Company.
- 5 On March 30, 2019, MCA notified Ind AS 116 'Leases' and it replaces Ind AS 17 'Leases' (the Standard) which replaced including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019 Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all the leases under a single balance sheet model similar to the accounting for finance lease under IND AS 17. The Group has adopted IND AS 116, effective from April 1, 2019 using modified retrospective approach given in para C8(b) and C8(c)(ii) of the Standard to ongoing leases. Accordingly, the comparatives have not been restated. On the date of transition, the Company has recognised Right of Use (ROU) asset amounting to INR 1,297.74 lakhs. The ROU asset measured at amount equal to the lease liability in the Balance Sheet on the date of initial application.
- In the Consolidated statement of profit and loss, operating lease expenses were recognised as other expenses in the previous period. Pursuant to adoption of Ind AS 116, amounts are recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability in the current period. The adoption of this standard did not have any significant impact on the profits for the period and earnings per share.
- 6 The Holding Company has elected to exercise the option permitted under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) ordinance, 2019. Accordingly, the Holding Company has recognized the provision for income tax for the half year ended September 30, 2019 and remeasured its deferred tax basis the rate prescribed in the aforesaid section. The consequent impact of remeasurement of Deferred Tax amounting to INR 1,143 lakhs is accounted in the quarter ended September 30, 2019. The material Subsidiary Company incorporated in India has not elected to exercise the option permitted under Section 115BBA and has continued making provision for income tax at the existing tax rates for the half year ended September 30, 2019.
- 7 The standalone financial results for the quarter and half year ended September 30, 2019 are summarised below and detailed financial results are available on Company's website [www.meghmani.com](http://www.meghmani.com) and have been submitted to the BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) where the equity shares of the Company are listed.

Particulars	(Rs. in Lakhs)					
	Quarter ended			Half year ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	39,022.60	45,131.70	35,389.08	84,154.30	66,348.81	1,41,042.00
Profit before tax	6,015.21	4,368.97	4,776.35	10,384.18	14,679.24	22,219.12
Net Profit for the period	6,168.71	2,832.57	3,125.69	9,001.28	11,632.98	16,869.07
Other comprehensive income (net of tax)	(36.83)	(25.34)	(28.20)	(62.17)	(25.70)	(90.08)
Total comprehensive income for the period	6,131.88	2,807.23	3,097.49	8,939.11	11,607.28	16,778.99

- 8 During the quarter, the Holding Company has paid dividend of INR 0.40 per equity share (40 % of face value of INR 1 per equity share) for the financial year 2018-19 declared by the members of the Holding Company at the AGM held on July 25, 2019. The said dividend was proposed by the Board of Directors at the meeting held on May 24, 2019.
- 9 Statement of Unaudited consolidated cash flow for the half year ended September 30, 2019 and September 30, 2018 is given in Annexure 1.
- 10 Previous quarter/ year-end figures have been regrouped/ reclassified, wherever necessary, to confirm to current period's classification.

Date: November 9, 2019  
 Place: Ahmedabad



For and on behalf of Board of Directors of  
 Meghmani Organics Limited

Ashish Soparkar  
 Managing Director



Chemistry of Success

Meghmani Organics Limited

## Segment Revenue, Results, Segment Assets and Segment Liabilities (Consolidated)

(Rs. in Lakhs, except as stated otherwise)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. SEGMENT REVENUE</b>						
(a) Pigment	16,450.03	15,880.94	15,466.10	32,330.97	29,855.76	60,480.23
(b) Agrochemicals	21,833.51	29,250.31	19,393.59	51,083.82	35,462.94	79,049.27
(c) Chloro Alkali and Its Derivatives	16,016.25	17,356.95	15,343.75	33,373.20	32,440.46	71,039.30
(d) Others/Unallocated	1,539.83	1,236.34	2,553.28	2,776.17	4,418.81	7,997.77
<b>Total</b>	<b>55,839.62</b>	<b>63,724.54</b>	<b>52,756.72</b>	<b>1,19,564.16</b>	<b>1,02,177.97</b>	<b>2,18,566.57</b>
Less Inter-segment sales	2,598.71	2,104.25	2,616.30	4,702.96	4,389.66	9,770.72
<b>Net sales income from operations</b>	<b>53,240.91</b>	<b>61,620.29</b>	<b>50,140.42</b>	<b>1,14,861.20</b>	<b>97,788.31</b>	<b>2,08,795.85</b>
<b>2. SEGMENT RESULTS</b>						
(a) Pigment	2,134.76	1,444.51	2,326.55	3,579.27	4,304.36	6,923.61
(b) Agrochemicals	4,880.25	4,320.63	4,450.89	9,200.88	8,020.06	15,223.20
(c) Chloro Alkali and Its Derivatives	4,002.41	6,584.16	4,435.25	10,586.57	10,579.08	26,621.55
(d) Others/Unallocated	96.39	20.31	23.42	116.70	38.30	71.15
<b>Total</b>	<b>11,113.81</b>	<b>12,369.61</b>	<b>11,236.11</b>	<b>23,483.42</b>	<b>22,941.80</b>	<b>48,839.51</b>
Less - (i) Finance Cost	606.48	735.30	1,683.30	1,341.78	3,028.42	5,599.21
(ii) Other Un-allocable income, net of expenses	539.81	697.36	328.86	1,237.17	693.68	2,729.53
(iii) Elimination	(37.33)	(29.60)	(37.23)	(66.93)	(80.70)	(345.19)
<b>Profit before tax</b>	<b>10,004.85</b>	<b>10,966.55</b>	<b>9,261.18</b>	<b>20,971.40</b>	<b>19,300.40</b>	<b>40,855.96</b>
<b>3. SEGMENT ASSETS</b>						
(a) Pigment	60,516.52	61,700.55	59,271.18	60,516.52	59,271.18	59,014.93
(b) Agrochemicals	74,174.26	75,664.12	64,247.31	74,174.26	64,247.31	70,586.53
(c) Chloro Alkali and Its Derivatives	1,22,260.52	1,11,705.52	81,242.04	1,22,260.52	81,242.04	1,04,044.94
(d) Others/Unallocated	24,918.69	24,378.29	80,781.84	24,918.69	80,781.84	23,665.03
(e) Elimination	(20,433.85)	(20,562.96)	(76,823.91)	(20,433.85)	(76,823.91)	(19,635.59)
<b>TOTAL SEGMENT ASSETS</b>	<b>2,61,436.14</b>	<b>2,52,885.52</b>	<b>2,08,718.46</b>	<b>2,61,436.14</b>	<b>2,08,718.46</b>	<b>2,37,675.84</b>
<b>4. SEGMENT LIABILITIES</b>						
(a) Pigment	22,945.76	27,272.26	36,539.66	22,945.76	36,539.66	24,603.62
(b) Agrochemicals	36,688.58	37,161.82	43,191.14	36,688.58	43,191.14	35,777.95
(c) Chloro Alkali and Its Derivatives	64,900.87	57,084.07	19,953.24	64,900.87	19,953.24	55,134.68
(d) Others/Unallocated	7,776.56	10,825.07	10,954.64	7,776.56	10,954.64	8,405.27
(e) Elimination	(2,394.72)	(2,486.50)	(3,177.27)	(2,394.72)	(3,177.27)	(1,529.53)
<b>TOTAL SEGMENT LIABILITIES</b>	<b>1,29,917.05</b>	<b>1,29,856.72</b>	<b>1,07,461.41</b>	<b>1,29,917.05</b>	<b>1,07,461.41</b>	<b>1,22,391.99</b>

See accompanying notes to the consolidated financial results

## Notes :-

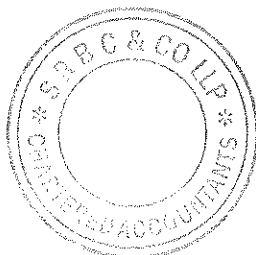
1 Others business segment includes – Merchant Trading

For and on behalf of Board of Directors of  
Meghmani Organics Limited

Ashish Soparkar  
Managing Director

Date - 09.11.2019

Place - Ahmedabad





Meghmani Organics Limited

CIN No. L24110GJ1995PLC024052

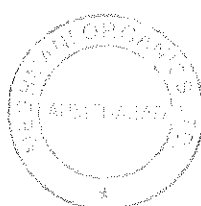
## Statement of Assets and Liabilities (Consolidated)

(Rs. in Lakhs, except as stated otherwise)

Sr. No.	Particulars	As at	As at
		September 30, 2019	March 31, 2019
		Unaudited	Audited
<b>(A)</b>	<b>ASSETS</b>		
	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	89,619.41	72,504.68
	(b) Capital work-in-progress	56,805.68	51,267.31
	(c) Other intangible assets	2,339.83	1,152.05
	(d) Intangible assets under development	383.02	491.27
	(e) Financial Assets		
	(i) Investments	57.41	57.41
	(ii) Others	906.72	1,045.17
	(f) Deferred Tax Assets (net)	-	28.06
	(g) Non Current Tax Assets (Net)	1,120.53	1,030.30
	(h) Other Non-Current Assets	7,277.36	2,964.36
	<b>Total Non-Current Assets</b>	<b>1,58,509.96</b>	<b>1,30,540.61</b>
	<b>Current Assets</b>		
	(a) Inventories	39,587.95	41,093.90
	(b) Financial Assets		
	(i) Investments	6,190.13	-
	(ii) Trade Receivables	41,489.52	43,135.33
	(iii) Cash and cash equivalents	7,142.38	13,329.63
	(iv) Bank balances other than (iii) above	49.85	136.25
	(v) Loans	64.29	58.62
	(vi) Others	3,631.34	4,176.66
	(c) Current Tax Assets (Net)	-	278.85
	(d) Other Current Assets	4,770.72	4,925.99
	<b>Total Current Assets</b>	<b>1,02,926.18</b>	<b>1,07,135.23</b>
	<b>TOTAL ASSETS</b>	<b>2,61,436.14</b>	<b>2,37,675.84</b>
<b>(B)</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity Share capital	2,543.14	2,543.14
	(b) Other Equity	1,10,651.90	97,816.89
	<b>Equity attributable to Equity holders of the Parent</b>	<b>1,13,195.04</b>	<b>1,00,360.03</b>
	(c) Non-controlling interests	18,324.05	14,923.82
	<b>Total Equity</b>	<b>1,31,519.09</b>	<b>1,15,283.85</b>
	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	48,746.59	45,061.50
	(ii) Other Financial Liabilities	1,920.66	781.31
	(b) Provisions	995.14	760.25
	(c) Deferred Tax Liabilities (Net)	4,082.79	5,041.81
	<b>Total Non-Current Liabilities</b>	<b>55,745.18</b>	<b>51,644.87</b>
	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	14,274.37	20,193.94
	(ii) Trade Payables	31,856.54	25,193.51
	(iii) Other Financial Liabilities	24,953.69	22,171.09
	(b) Other Current Liabilities	834.68	1,177.65
	(c) Provisions	596.23	596.23
	(d) Current Tax Liabilities (Net)	1,656.36	1,414.70
	<b>Total Current Liabilities</b>	<b>74,171.87</b>	<b>70,747.12</b>
	<b>Total Equity and Liabilities</b>	<b>2,61,436.14</b>	<b>2,37,675.84</b>

See accompanying notes to the consolidated financial results

Date - 09.11.2019  
Place - AhmedabadFor and on behalf of Board of Directors of  
Meghmani Organics Limited

  
Ashish Soparkar  
Managing Director


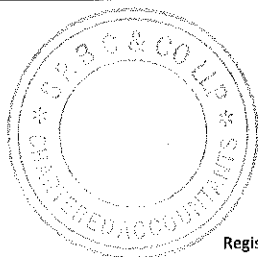


Meghmani Organics Limited

## Annexure - 1- Statement of Unaudited Consolidated Cash Flow for the half year ended on September 30, 2019

(Rs. in Lakhs, except as stated otherwise)

Sr. No.	Particulars	For the half year ended	For the half year ended
		September 30, 2019	September 30, 2018
		Unaudited	Unaudited
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Profit Before Tax	20,971.40	19,300.40
	<b>Adjustment to reconcile profit before tax to net cash flows:</b>		
	Depreciation and Amortisation Expenses	4,389.12	4,877.53
	Unrealised Foreign Exchange (Gain) / Loss (Net)	(1,028.97)	(621.23)
	Unrealised Foreign Exchange (Gain) / Loss (Net) - Borrowing	(63.90)	-
	Currency Translation Reserve	8.73	42.90
	Mark to Market Loss on Derivative (Gain) / Loss (Net)	(77.55)	67.03
	Liability no longer Required written back	(21.30)	(106.06)
	Finance Cost	1,483.23	3,028.42
	Interest Income	(454.78)	(161.83)
	Bad Debts Written off	33.17	337.02
	Provision for Doubtful Debt	-	122.06
	Sundry Balance Written off	13.34	44.89
	Profit on Sale of Investment	(111.12)	(215.72)
	Loss on Sale of Property, Plant & Equipment (Net)	72.13	219.34
	<b>Operating Profit Before Working Capital Changes</b>	<b>25,213.50</b>	<b>26,934.75</b>
	<b>Adjustment for:</b>		
	(Increase)/Decrease in Inventories	1,505.96	(10,665.41)
	(Increase)/Decrease in Trade Receivables	2,686.61	(3,666.53)
	(Increase)/Decrease in Short Term Loans and Advances	(41.39)	(17.73)
	(Increase)/Decrease in Other Current Financial Assets	486.38	1,408.67
	(Increase)/Decrease in Other Current Assets	155.26	1,968.51
	(Increase)/Decrease in Other Non-Current Financial Assets	(2.78)	76.53
	(Increase)/Decrease in Other Non-Current Assets	(6.37)	0.19
	Increase/(Decrease) in Trade Payables	6,585.61	6,263.98
	Increase/(Decrease) in Other Current Financial Liabilities	(1,315.04)	200.64
	Increase/(Decrease) in Other Current Liabilities	(342.97)	(178.84)
	Increase/(Decrease) in Provisions	119.98	(21.74)
	<b>Working Capital Changes</b>	<b>9,831.25</b>	<b>(4,631.73)</b>
	<b>Cash Generated from Operation</b>	<b>35,044.75</b>	<b>22,303.02</b>
	Direct Taxes Paid (Net of refund)	(3,702.79)	(3,598.08)
	<b>Net Cash generated from Operating Activities</b>	<b>31,341.96</b>	<b>18,704.94</b>
<b>B</b>	<b>Cash Flow from Investment Activities</b>		
	Purchase of Property, Plant & Equipment	(28,676.76)	(12,799.46)
	Proceeds from sale of Property, Plant & Equipment	29.83	161.11
	Investment in / (Redemption of) Fixed Deposits & Margin Money (Net)	249.71	(2,015.44)
	Interest Received	573.97	151.62
	Proceeds from sale of mutual fund	20,020.99	8,502.78
	Investment in mutual fund	(26,100.00)	(12,250.00)
	<b>Net Cash Used in Investing Activities</b>	<b>(33,902.26)</b>	<b>(18,249.39)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Dividend Paid	(1,104.12)	(1,010.03)
	Dividend Distribution Tax Paid	(209.10)	(209.10)
	Finance Charges Paid	(2,824.67)	(2,774.94)
	Repayment of Finance Lease Liability	(125.28)	-
	Proceeds from / (Repayment of) Short Term Borrowings (Net)	(5,865.84)	15,744.99
	Proceeds from Issue of Share Capital to Non Controlling Interest	-	1,500.00
	Payment towards Acquisition of Stake from Non Controlling Interest	-	(22,119.66)
	Proceeds from Bank Borrowing (Term Loan)	9,685.00	14,796.00
	Repayment of Bank Borrowing (Term Loan)	(3,191.67)	(5,353.03)
	<b>Net Cash (Used in) / Generated from Financing Activities</b>	<b>(3,635.68)</b>	<b>574.23</b>
	<b>Net (Decrease)/ Increase in Cash and Cash Equivalent (A+B+C)</b>	<b>(6,195.98)</b>	<b>1,029.78</b>
	<b>Cash and Cash Equivalent at the beginning of the period</b>	<b>13,329.63</b>	<b>425.50</b>
	<b>Cash and Cash Equivalent at the end of the period</b>	<b>7,133.65</b>	<b>1,455.28</b>
	<b>Cash and Cash Equivalent Comprises as under :</b>		
	Balance with Banks in Current Accounts	2,130.51	1,481.68
	Fixed Deposit with Bank	5,000.00	-
	Cash on Hand	11.87	16.50
	<b>Cash and Cash Equivalents</b>	<b>7,142.38</b>	<b>1,498.18</b>
	Net effect of Unrealised Exchange Difference	(8.73)	(42.90)
	<b>Cash &amp; Cash Equivalent at end of the period</b>	<b>7,133.65</b>	<b>1,455.28</b>



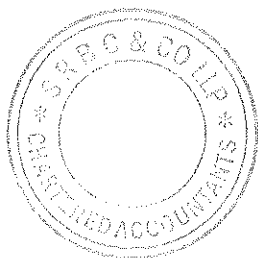


## Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2019

(Rs. in Lakhs, except as stated otherwise)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	39,022.60	45,131.70	35,389.08	84,154.30	66,348.81	1,41,042.00
II	Other income	1,570.42	333.49	1,594.94	1,903.91	2,936.11	3,882.19
III	<b>Total income (I+II)</b>	<b>40,593.02</b>	<b>45,465.19</b>	<b>36,984.02</b>	<b>86,058.21</b>	<b>69,284.92</b>	<b>1,44,924.19</b>
IV	<b>EXPENSES</b>						
	(a) Cost of materials consumed	24,777.71	22,712.07	22,081.35	47,489.78	41,299.06	87,954.61
	(b) Purchases of stock-in-trade	1,528.61	1,072.83	1,377.64	2,601.44	2,594.52	4,162.57
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,688.71)	7,369.39	(3,763.07)	3,680.68	(6,518.23)	(11,040.20)
	(d) Employee benefits expense	2,228.87	2,074.46	2,158.68	4,303.33	3,599.74	7,486.37
	(e) Finance costs	468.78	694.91	1,643.87	1,163.69	2,827.61	4,589.20
	(f) Depreciation and amortisation expense	1,191.41	1,149.34	1,171.63	2,340.75	2,307.76	4,629.04
	(g) Other expenses	8,071.14	6,023.22	7,537.57	14,094.36	14,410.51	29,251.99
	<b>Total expenses (IV)</b>	<b>34,577.81</b>	<b>41,096.22</b>	<b>32,207.67</b>	<b>75,674.03</b>	<b>60,520.97</b>	<b>1,27,033.58</b>
V	<b>Profit before exceptional items and tax (III - IV)</b>	<b>6,015.21</b>	<b>4,368.97</b>	<b>4,776.35</b>	<b>10,384.18</b>	<b>8,763.95</b>	<b>17,890.61</b>
VI	Exceptional items (net) (refer note 3)	-	-	-	-	(5,915.29)	(4,328.51)
VII	<b>Profit before tax (V - VI)</b>	<b>6,015.21</b>	<b>4,368.97</b>	<b>4,776.35</b>	<b>10,384.18</b>	<b>14,679.24</b>	<b>22,219.12</b>
VIII	Tax expense (refer note 5)						
	(1) Current tax	911.98	1,590.00	1,503.00	2,501.98	2,928.00	5,316.21
	(2) Net deferred tax expense / (benefit)	(1,065.48)	(53.60)	147.66	(1,119.08)	118.26	33.84
IX	<b>Net Profit for the period from continuing operations (VII-VIII)</b>	<b>6,168.71</b>	<b>2,832.57</b>	<b>3,125.69</b>	<b>9,001.28</b>	<b>11,632.98</b>	<b>16,869.07</b>
X	<b>Net Profit for the period (X)</b>	<b>6,168.71</b>	<b>2,832.57</b>	<b>3,125.69</b>	<b>9,001.28</b>	<b>11,632.98</b>	<b>16,869.07</b>
XI	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss in subsequent periods	(44.14)	(38.94)	(43.35)	(83.08)	(39.50)	(138.46)
	(ii) Income tax relating to items that will not be reclassified to profit or loss as mentioned above	7.31	13.60	15.15	20.91	13.80	48.38
XII	<b>Total Comprehensive Income for the period (X + XI) (comprising Profit / Loss and Other Comprehensive Income for the period)</b>	<b>6,131.88</b>	<b>2,807.23</b>	<b>3,097.49</b>	<b>8,939.11</b>	<b>11,607.28</b>	<b>16,778.99</b>
XIII	Paid up equity share capital (face value of Rs. 1 each)	2,543.14	2,543.14	2,543.14	2,543.14	2,543.14	2,543.14
XIV	Other equity excluding revaluation reserves						81,253.44
XVII	Earnings per share (of Rs.1 each) after exceptional item (not annualised for quarters and half years)						
	Basic (in rupees)	2.43	1.11	1.23	3.54	4.57	6.63
	Diluted (in rupees)	2.43	1.11	1.23	3.54	4.57	6.63

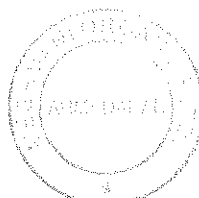
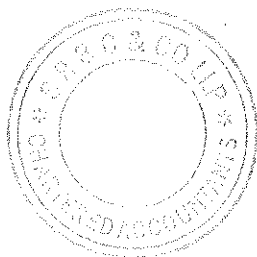
See accompanying notes to the standalone financial results



**Notes to standalone financial results:**

- 1 The above statement of unaudited Standalone Financial results for the quarter and half year ended September 30, 2019 ('the Statement') of Meghmani Organics Limited ('the Company') is reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on November 9, 2019 and is subjected to limited review by the Statutory Auditors. The standalone financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.
- 2 As per Ind AS 108 "Operating Segment" Company has reporting segment information under two segments: 1) Pigments and 2) Agro-chemicals
- 3 (a) The exceptional item for the year ended March 31, 2019 includes loss on account of fire on March 26, 2019 at a manufacturing facility of the Company in Dahej location. Loss on fire included inventory, Property Plant and Equipment and other ancillary expenses of INR 1,586.78 lakhs as assessed by management and was charged to statement of profit and loss for the quarter and year ended March 31, 2019 in line with requirements of Ind AS 16. The Company has All Risk Insurance Policy (including Loss of Profit Policy) and is fully covered for insurance claim. Management has submitted requisite information to surveyor and insurance company, however preliminary assessment / claim report is awaited from the Insurance company.  
  
(b) The exceptional item for the half year ended September 30, 2018 and year ended March 31, 2019 include INR 5,915.29 lakhs which pertains to gain on sale of 16,900,835 shares (i.e. 23.88% stake) of Meghmani Finechem Limited ("MFL") to its wholly owned subsidiary Meghmani Agrochemicals Private Limited ("MACPL") pursuant to the terms of the share purchase agreement entered into between the parties on October 1, 2017.
- 4 On March 30, 2019, MCA notified Ind AS 116 'Leases' (the Standard) which replaced Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all the leases under a single balance sheet model similar to the accounting for finance lease under IND AS 17. The Company has adopted IND AS 116, effective from April 1, 2019 using modified retrospective approach. Accordingly, the comparatives have not been restated. On the date of transition, the Company has recognised Right of Use (ROU) asset amounting to INR 797.13 lakhs. The ROU asset measured at amount equal to the lease liability in the Balance Sheet on the date of initial application.  
  
In the Standalone statement of profit and loss, operating lease expenses were recognised as other expenses in the previous period. Pursuant to adoption of Ind AS 116, amounts are recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability in the current period. The adoption of this standard did not have any significant impact on the profits for the period and earnings per share.
- 5 The Company has elected to exercise the option permitted under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) ordinance, 2019. Accordingly, the Company has recognized the provision for income tax for the half year ended September 30, 2019 and remeasured its deferred tax basis the rate prescribed in the aforesaid section. The consequent impact of remeasurement of Deferred Tax amounting to INR 1,143 lakhs is accounted in the quarter ended September 30, 2019.
- 6 During the quarter, the Company has paid dividend of INR 0.40 per equity share (40 % of face value of INR 1 per equity share) for the financial year 2018-19 declared by the members of the Company at the AGM held on July 25, 2019. The said dividend was proposed by the Board of Directors at the meeting held on May 24, 2019.
- 7 Statement of Unaudited standalone cash flow for the half year ended September 30, 2019 and September 30, 2018 is given in Annexure 1.
- 8 Previous quarter/ year-end figures have been regrouped/ reclassified, wherever necessary, to confirm to current period's classification.

Date: November 9, 2019  
Place: Ahmedabad



For and on behalf of Board of Directors of  
Meghmani Organics Limited

Ashish Soparkar  
Managing Director





Meghmani Organics Limited

Segment revenue, results, Segment assets and segment liabilities (Standalone)

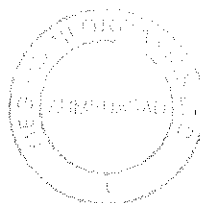
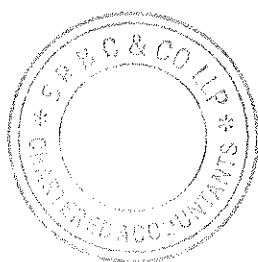
(Rs. in Lakhs, except as stated otherwise)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1. SEGMENT REVENUE</b>						
(a) Pigment	16,450.03	15,880.94	15,466.10	32,330.97	29,855.76	60,480.23
(b) Agrochemicals	21,833.52	29,250.31	19,393.59	51,083.83	35,462.94	79,049.27
(c) Others/Unallocated	739.05	0.45	529.39	739.50	1,030.11	1,512.50
<b>Total</b>	<b>39,022.60</b>	<b>45,131.70</b>	<b>35,389.08</b>	<b>84,154.30</b>	<b>66,348.81</b>	<b>1,41,042.00</b>
Less Inter-segment sales	-	-	-	-	-	-
<b>Net sales income from operations</b>	<b>39,022.60</b>	<b>45,131.70</b>	<b>35,389.08</b>	<b>84,154.30</b>	<b>66,348.81</b>	<b>1,41,042.00</b>
<b>2. SEGMENT RESULTS</b>						
(a) Pigment	2,134.76	1,444.51	2,326.55	3,579.27	4,304.36	6,923.61
(b) Agrochemicals	4,880.25	4,320.63	4,450.89	9,200.88	8,020.06	15,223.20
(c) Others/Unallocated	8.44	0.65	5.68	9.09	10.36	83.59
<b>Total</b>	<b>7,023.45</b>	<b>5,765.79</b>	<b>6,783.12</b>	<b>12,789.24</b>	<b>12,334.78</b>	<b>22,230.40</b>
Less - (i) Finance Cost	468.78	694.91	1,643.87	1,163.69	2,827.61	4,589.20
(ii) Other Un-allocable income, net of expenses	539.46	701.91	362.90	1,241.37	(5,172.07)	(4,577.92)
<b>Profit before tax</b>	<b>6,015.21</b>	<b>4,368.97</b>	<b>4,776.35</b>	<b>10,384.18</b>	<b>14,679.24</b>	<b>22,219.12</b>
<b>3. SEGMENT ASSETS</b>						
(a) Pigment	60,516.52	61,700.55	59,271.18	60,516.52	59,271.18	59,014.93
(b) Agrochemicals	74,174.26	75,664.12	64,247.31	74,174.26	64,247.31	70,586.53
(c) Others/Unallocated	22,091.61	21,330.09	43,674.99	22,091.61	43,674.99	20,756.30
<b>Total Segment Assets</b>	<b>1,56,782.39</b>	<b>1,58,694.76</b>	<b>1,67,193.48</b>	<b>1,56,782.39</b>	<b>1,67,193.48</b>	<b>1,50,357.76</b>
<b>4. SEGMENT LIABILITIES</b>						
(a) Pigment	22,945.76	27,272.26	36,539.66	22,945.76	36,539.66	24,603.62
(b) Agrochemicals	36,688.58	37,161.82	43,191.14	36,688.58	43,191.14	35,777.95
(c) Others/Unallocated	5,638.71	7,656.87	7,311.92	5,638.71	7,311.92	6,179.61
<b>Total Segment Liabilities</b>	<b>65,273.05</b>	<b>72,090.95</b>	<b>87,042.72</b>	<b>65,273.05</b>	<b>87,042.72</b>	<b>66,561.18</b>

See accompanying notes to the standalone financial results

Notes :-
1 Others business segment includes – Merchant Trading

Date - 09.11.2019 Place - Ahmedabad	For and on behalf of Board of Directors of Meghmani Organics Limited  Ashish Soparkar Managing Director
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Meghmani Organics Limited

CIN No. L24110GJ1995PLC024052

## Statement of Assets and Liabilities (Standalone)


(Rs. in Lakhs, except as stated otherwise)

Sr. No.	Particulars	As at	As at
		September 30, 2019	March 31, 2019
		Unaudited	Audited
<b>(A)</b>	<b>ASSETS</b>		
	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	43,636.45	42,779.19
	(b) Capital work-in-progress	5,828.00	4,442.48
	(c) Other Intangible assets	1,880.37	1,152.05
	(d) Intangible assets under development	383.02	491.27
	(e) Investments in Subsidiary	18,246.55	18,246.55
	(f) Financial Assets		
	(i) Investments	57.41	57.41
	(ii) Others	557.31	559.70
	(g) Non Current Tax Assets (Net)	663.30	681.89
	(h) Other Non-Current Assets	2,132.08	1,133.29
	<b>Total Non-Current Assets</b>	<b>73,384.49</b>	<b>69,543.83</b>
	<b>Current Assets</b>		
	(a) Inventories	34,249.14	36,360.80
	(b) Financial Assets		
	(i) Investments	5,185.05	-
	(i) Trade Receivables	35,271.63	35,412.38
	(ii) Cash and cash equivalents	818.63	177.16
	(iii) Bank balances other than (ii) above	49.85	136.25
	(iv) Loans	34.38	22.99
	(v) Others	3,556.14	4,069.29
	(c) Current Tax Assets (Net)	-	278.85
	(d) Other Current Assets	4,233.08	4,356.21
	<b>Total Current Assets</b>	<b>83,397.90</b>	<b>80,813.93</b>
	<b>Total Assets</b>	<b>1,56,782.39</b>	<b>1,50,357.76</b>
<b>(B)</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity Share capital	2,543.14	2,543.14
	(b) Other Equity	88,966.20	81,253.44
	<b>Total Equity</b>	<b>91,509.34</b>	<b>83,796.58</b>
	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	6,768.38	8,527.45
	(ii) Other Financial Liabilities	747.47	-
	(b) Provisions	801.66	648.68
	(c) Deferred Tax Liabilities (Net)	2,948.79	4,088.78
	<b>Total Non- Current Liabilities</b>	<b>11,266.30</b>	<b>13,264.91</b>
	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	13,934.49	19,957.32
	(ii) Trade Payables		
	Total outstanding dues of micro and small enterprises	3,161.63	888.16
	Total outstanding dues of creditors other than micro and small enterprises	26,090.63	20,993.14
	(iii) Other Financial Liabilities	8,030.98	8,567.90
	(b) Other Current Liabilities	558.46	918.66
	(c) Provisions	591.22	591.22
	(d) Current Tax Liabilities (Net)	1,639.34	1,379.87
	<b>Total Current Liabilities</b>	<b>54,006.75</b>	<b>53,296.27</b>
	<b>Total Equity and Liabilities</b>	<b>1,56,782.39</b>	<b>1,50,357.76</b>

See accompanying notes to the standalone financial results

Date - 09.11.2019  
Place - Ahmedabad

For and on behalf of Board of Directors of  
Meghmani Organics Limited

  
Ashish Soparkar  
Managing Director

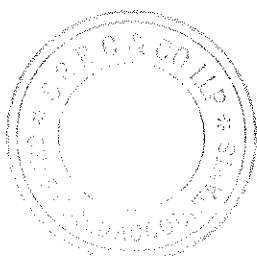


Meghmani Organics Limited

## Annexure - 1 - Statement of Unaudited Standalone Cash Flow for the half year ended on September 30, 2019

(Rs. in Lakhs, except as stated otherwise)

Sr. No.	Particulars	For the half	For the half
		year ended September 30, 2019	year ended September 30, 2018
		Unaudited	Unaudited
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Profit Before Tax	10,384.18	14,679.24
	<b>Adjustment to reconcile profit before tax to net cash flows:</b>		
	Depreciation and Amortisation Expenses	2,340.75	2,307.76
	Unrealised Foreign Exchange (Gain) / Loss (Net)	(1,042.35)	(723.82)
	Mark to Market Loss on Derivative (Gain) / Loss (Net)	-	67.03
	Liability no longer Required written back	(21.30)	(106.06)
	Finance Cost	1,163.69	2,827.61
	Interest Income	(450.57)	(112.31)
	Bad Debts Written off	33.17	337.02
	Provision for Doubtful Debt	-	122.06
	Sundry Balance Written off	13.34	47.71
	Profit on Sale of Investment	(96.66)	(5,915.29)
	Loss on Sale of Property, Plant & Equipment (Net)	72.13	219.30
	<b>Operating Profit Before Working Capital Changes</b>	<b>12,396.38</b>	<b>13,750.25</b>
	<b>Adjustment for:</b>		
	(Increase)/Decrease in Inventories	2,111.66	(9,320.57)
	(Increase)/Decrease in Trade Receivables	1,181.56	(4,919.46)
	(Increase)/Decrease in Short Term Loans and Advances	(11.39)	(7.26)
	(Increase)/Decrease in Other Current Financial Assets	510.97	1,314.19
	(Increase)/Decrease in Other Current Assets	123.13	2,083.99
	(Increase)/Decrease in Other Non-Current Financial Assets	(8.51)	85.55
	(Increase)/Decrease in Other Non-Current Assets	(6.37)	0.19
	Increase/(Decrease) in Trade Payables	7,306.92	8,133.63
	Increase/(Decrease) in Other Current Financial Liabilities	(592.73)	267.71
	Increase/(Decrease) in Other Current Liabilities	(360.21)	(260.86)
	Increase/(Decrease) in Provisions	69.90	(47.10)
	<b>Working Capital Changes</b>	<b>10,324.93</b>	<b>(2,669.99)</b>
	<b>Cash Generated from Operation</b>	<b>22,721.31</b>	<b>11,080.26</b>
	Direct Taxes Paid (Net of refund)	(1,734.81)	(1,661.41)
	<b>Net Cash generated from Operating Activities</b>	<b>20,986.50</b>	<b>9,418.85</b>
<b>B</b>	<b>Cash Flow from Investment Activities</b>		
	Purchase of Property, Plant & Equipment	(5,028.73)	(3,730.54)
	Proceeds from sale of Property, Plant & Equipment	29.83	161.11
	Investment in / (Redemption of) Fixed Deposits & Margin Money (Net)	83.66	(7.99)
	Interest Received	242.79	113.05
	Investments in Equity Share of Subsidiary	-	(22,170.89)
	Proceeds from sale of mutual fund	18,111.61	-
	Investment in mutual fund	(23,200.00)	-
	<b>Net Cash Used in Investing Activities</b>	<b>(9,760.84)</b>	<b>(25,635.26)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Dividend Paid	(1,104.12)	(1,010.03)
	Dividend Distribution Tax Paid	(209.10)	(209.10)
	Finance Charges Paid	(1,133.25)	(2,701.71)
	Repayment of Finance Lease Liability	(76.95)	-
	Proceeds from / (Repayment of) Short Term Borrowings (Net)	(5,969.10)	18,531.37
	Proceeds from Bank Borrowing (Term Loan)	-	3,000.00
	Repayment of Bank Borrowing (Term Loan)	(2,091.67)	(1,325.00)
	<b>Net Cash (Used in) / Generated from Financing Activities</b>	<b>(10,584.19)</b>	<b>16,285.53</b>
	<b>Net Increase in Cash and Cash Equivalent (A+B+C)</b>	<b>641.47</b>	<b>69.12</b>
	<b>Cash and Cash Equivalent at the beginning of the period</b>	<b>177.16</b>	<b>122.51</b>
	<b>Cash and Cash Equivalent at the end of the period</b>	<b>818.63</b>	<b>191.63</b>
	<b>Cash and Cash Equivalent Comprises as under :</b>		
	Balance with Banks in Current Accounts	808.63	177.36
	Cash on Hand	10.00	14.27
	<b>Cash and Cash Equivalents</b>	<b>818.63</b>	<b>191.63</b>



**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors of  
Meghmani Organics Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Meghmani Organics Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, 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"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder 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. 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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

per **Sukrut Mehta**

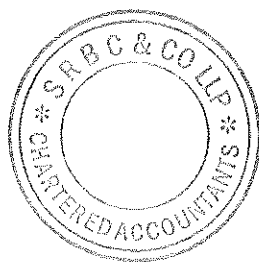
Partner

Membership No.: 101974

UDIN: 19101974AAAADS6767

Ahmedabad

November 9, 2019



**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors of  
Meghmani Organics Limited**

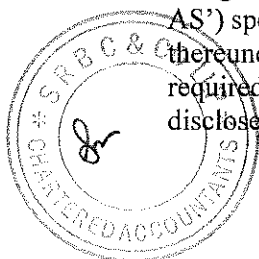
1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Meghmani Organics Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors but have not been subjected to review.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the entity	Relationship
Meghmani Organics Limited	Holding Company
Meghmani Finechem Limited	Subsidiary Company
Meghmani Organics Inc., USA	Wholly Owned Subsidiary
Meghmani Overseas FZE	Wholly Owned Subsidiary
PT Meghmani Indonesia	Wholly Owned Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



# **S R B C & CO LLP**

Chartered Accountants

6. The accompanying Statement includes unaudited interim financial results and other unaudited financial information of two subsidiaries, whose interim financial results reflect Group's share of total assets of Rs. 2,369.85 lakhs as at September 30, 2019, and Group's share of total revenues of Rs. 800.78 lakhs and Rs. 2,036.67 lakhs, Group's share of total net profit after tax of Rs. 79.86 lakhs and Rs. 91.94 lakhs, Group's share of total comprehensive income of Rs. 79.86 lakhs and Rs. 91.94 lakhs, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and net cash inflows of Rs. 262.59 lakhs for the period from April 1, 2019 to September 30, 2019, as considered in the Statement, which have been reviewed by their respective independent auditors. The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

These subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

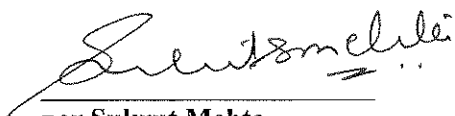
7. The accompanying Statement includes unaudited interim financial result and other unaudited financial information in respect of one subsidiary, whose interim financial results reflect Group's share of total assets of Rs. Nil as at September 30, 2019, Group's share of total revenues of Rs. Nil and Rs. Nil, Group's share of total net profit after tax of Rs. Nil and Rs. Nil, Group's share of total comprehensive income of Rs. Nil and Rs. Nil, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and net cash flows of Rs. Nil for the period from April 1, 2019 to September 30, 2019, as considered in the Statement. This unaudited interim financial results and other unaudited financial information has been approved and furnished to us by the Management and is not subjected to review by any auditors. Our conclusion on the Statement, in so far as it relates to the affairs of this subsidiary, is based solely on such unaudited interim financial results and other unaudited financial information provided to us by the Management of the Holding Company. According to the information and explanations given to us by the Management, this interim financial result is not material to the Group.

Our conclusion on the Statement in respect of matters stated in paragraphs 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



**per Sukrut Mehta**

Partner

Membership No.: 101974

UDIN: 19101974AAAADR5548

Ahmedabad

November 9, 2019

