



Valiant Organics Limited

Date: November 13, 2020

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

BSE CODE: – 540145

Sub: Outcome of Board Meeting held on November 13, 2020 pursuant to Regulation 33 and Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

We wish to inform you that the Board of Directors of the Company at its meeting held on Friday November 13, 2020 which commenced at 11.30AM and concluded at 4.15^{PM} inter alia, Approved the following:-

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2020 along with Auditors Report.

Pursuant to Regulation 33 of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 and other applicable requirements, a copy of the Audited Financial result of the quarter and half year ended September 30, 2020 together with Auditor's report is annexed.

2. Payment of Interim dividend for the financial year 2020-21 of Rs.5 only per share i.e (50 % on equity shares) of Rs 10/- each.

This for your information and records.

Thanking You,

VALIANT ORGANICS LIMITED


VYOMA VVAS
COMPANY SECRETARY
ICSI M.NO-A45555



Valiant Organics Limited

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

CIN - L24230MH2005PLC151348

ANNEXURE 1

Statement of Standalone and Consolidated Audited Financial Results

Sr. No.	Particulars	Consolidated											
		Standalone						Year Ended					
		3 Months ended		6 Months ended		Year Ended		3 Months ended		6 Months ended		Year Ended	
30th Sep 2020 (Audited)	30th June 2020 (unaudited)	30th Sep 2019 (Audited)	30-Sep-2020 (Audited)	30-Sep-2019 (Audited)	31-Mar-2020 (Audited)	30th Sep 2020 (Audited)	30th June 2020 (unaudited)	30th Sep 2019 (unaudited)	30-Sep-2020 (Audited)	30-Sep-2019 (Audited)	31-Mar-2020 (Audited)		
1	Revenue from Operations	13,228.81	11,175.41	14,256.44	24,404.21	30,529.11	16,668.70	14,748.78	16,385.96	31,417.48	16,385.96	14,748.78	
	Other Income	320.74	402.74	167.19	723.48	215.72	225.39	178.22	192.32	403.60	192.32	178.22	
	Total Revenue (1+2)	13,549.55	11,578.15	14,423.63	25,127.70	30,744.83	16,894.09	14,926.99	16,578.27	31,821.08	16,578.27	14,926.99	
2	Expenses	6,605.04	5,618.40	7,413.45	12,223.44	15,760.45	9,060.41	7,698.98	9,147.85	16,759.39	9,147.85	7,698.98	
a)	Cost of Materials consumed	247.05	90.30	80.14	337.35	167.99	247.05	90.30	80.14	337.35	167.99	90.30	
b)	Purchases of stock in Trade	(397.99)	(56.77)	(66.77)	(888.43)	(183.97)	(329.14)	(348.13)	(47.89)	(677.27)	(47.89)	(348.13)	
c)	Changes in inventories of Finished Goods, WIP & Stock-In-Trade	600.17	521.98	558.15	1,122.15	1,052.03	663.77	568.42	611.24	1,232.19	611.24	1,154.64	
d)	Finance benefit expenses	63.84	76.11	20.31	139.95	61.53	140.01	88.95	59.10	228.96	59.10	228.96	
e)	Finance Cost	457.73	440.18	284.54	897.91	585.14	516.64	500.08	351.34	1,016.72	351.34	1,016.72	
f)	Depreciation and amortisation expenses	2,107.76	1,893.36	1,772.13	4,001.12	3,538.59	2,316.40	2,076.59	1,955.23	4,393.00	1,955.23	2,076.59	
g)	Other expenses	9,591.16	8,242.34	10,071.95	17,833.50	20,981.74	12,615.15	10,675.18	12,252.79	23,290.33	12,252.79	10,675.18	
	Total Expenses	3,958.38	3,335.81	4,351.68	7,294.19	9,763.09	4,278.93	4,251.81	4,325.49	8,530.74	4,325.49	4,251.81	
3	Profit/(Loss) before exceptional, & extraordinary items & tax (1-2)												
4	Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	
5	Profit/(Loss) before tax (3+4)	3,958.38	3,335.81	4,351.68	7,294.19	9,763.09	4,278.93	4,251.81	4,325.49	8,530.74	4,325.49	4,251.81	
6	Tax expense (Net)	839.00	799.00	1,203.62	1,638.00	2,450.00	1,000.59	1,221.53	1,219.12	2,222.12	1,219.12	1,221.53	
(a)	Current Year Tax	-	-	-	-	14.64	14.64	14.64	-	-	-	14.64	
(b)	Short / Excess Provision for Tax of Previous Years	48.68	25.05	117.43	45.83	50.10	48.73	68.81	25.10	117.53	25.10	68.39	
(c)	Deferred Tax	887.66	867.76	1,228.67	1,755.43	2,514.75	1,049.31	1,290.34	1,244.22	2,339.65	1,244.22	1,290.34	
	Total Tax expense (Net)	3,070.71	2,468.05	3,123.01	5,538.76	7,248.34	3,229.62	2,961.47	3,081.27	6,191.09	3,081.27	2,961.47	
7	Net Profit from ordinary activities after tax (5-6)												
8	Extraordinary Items	-	-	-	-	-	-	-	-	-	-	-	
9	Net Profit/(Loss) for the period (7-8)	3,070.71	2,468.05	3,123.01	5,538.76	7,248.34	3,229.62	2,961.47	3,081.27	6,191.09	3,081.27	2,961.47	
10	Other Comprehensive Income	299.26	368.60	(307.46)	667.85	145.13	299.26	368.60	(307.46)	667.85	(307.46)	368.60	
	Item that will not be reclassified to statement of Profit and Loss												
	Fair value changes on investments, net	299.26	368.60	(307.46)	667.85	145.13	299.26	368.60	(307.46)	667.85	(307.46)	368.60	
	Remeasurement of defined benefit Liability/Assets, net	299.26	368.60	(307.46)	667.85	145.13	299.26	368.60	(307.46)	667.85	(307.46)	368.60	
	Total Other Comprehensive Income.net	3,369.97	2,836.65	2,815.55	6,206.61	7,393.47	3,528.88	3,330.07	2,773.81	6,858.94	2,773.81	3,330.07	
11	Total of profit and other comprehensive income for the year (9+10)	1,214.92	1,214.92	1,214.92	1,214.92	1,214.92	1,214.92	1,214.92	1,214.92	1,214.92	1,214.92	1,214.92	
	Paid up equity share capital (face value of Rs. 10 each)												
	Earning per equity share (in Rs.) (not annualised)												
	Reserve excluding revaluation reserve as per last audited balance sheet												
12	Profit attributable to :												
	Owner of the Company	3,070.71	2,468.05	3,123.01	5,538.76	7,248.34	3,070.71	2,468.05	3,123.01	5,538.76	7,248.34	2,468.05	
	Non-Controlling Interest	-	-	-	-	-	158.91	493.42	(41.74)	652.33	74.61	652.33	
	Total Comprehensive Income attributable to :												
	Owner of the Company	3,369.97	2,836.65	2,815.55	6,206.61	7,393.47	3,369.97	2,836.65	2,815.55	6,206.61	7,393.47	2,836.65	
	Non-Controlling Interest	-	-	-	-	-	158.91	493.42	(41.74)	652.33	74.61	652.33	
	(a) Basic	25.27	20.31	25.71	45.59	59.66	25.27	20.31	25.71	45.59	59.66	20.31	
	(b) Diluted	21.96	17.65	22.34	39.61	51.84	21.96	17.65	22.34	39.61	51.84	17.65	

Notes:

- The Company migrated from BSE SME Board to BSE Main Board on 4th Sep 2020
- The Company has adopted Indian Accounting Standards (Ind AS) from financial year 2020-21 and hence results for the quarter and half year ended 30.9.2020 are in compliance with IndAS notified by the Ministry of Corporate Affairs. The results for the quarter and half year ended 30.9.2019 and year ended 31.3.2020 has been restated as per Ind AS
- The above results for the quarter and half year ended 30.9.2020 have been reviewed by the Audit Committee in their meeting held on 13th November 2020 and approved by the Board of Directors in their meeting held on 13th November 2020
- 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 figure have been calculated after assuming all 18,33,087 OCFS being converted into equity shares.



(Signature)

6 The aforesaid Audited Financial results will be uploaded on the company's website www.valiantorganics.com and will also be available on the website of BSE Limited i.e. www.bseindia.com for benefit of Shareholders and Investors.

7 The company's operations suffered in the first quarter of current FY 2020-21 due to nationwide lockdown announced by the Central and State Government authorities to contain the spread of the pandemic. The operations were gradually resumed with due precautions. The results of the half year are therefore not comparable with those of the previous periods.

8 Figures for the previous period have been regrouped or rearranged wherever necessary to conform to current periods financial results

A Reconciliation of the net profit to those reported under previous generally accepted accounting principles (IGAPP)

Particulars	Standalone		Consolidated	
	30-09-2019	31-03-2020	30-09-2019	31-03-2020
Profit as per IGAPP	7,957.52	13,852.47	7,957.52	13,852.47
• Impact of lease assets	(1.14)	(1.70)	(1.14)	(1.70)
• Actuarial Gain /Loss on remeasurement of defined benefit plans etc	-	34.28	-	34.28
• Fair valuation of equity investments classified under OCI	(707.93)	(1,490.33)	(707.93)	(1,490.33)
• Impact of Deferred Tax on above	(0.10)	(1.99)	(0.10)	(1.99)
Net Profit as per IndAS	7,248.34	12,392.74	7,248.34	12,392.74
Other Comprehensive Income (OCI) (Net of Tax Expense)	145.13	23.71	145.13	23.71

B Reconciliation of Retained Earnings equity as reported under previous generally accepted accounting principles (IGAPP)

Particulars	Standalone		Consolidated	
	Amount	31-03-2020	Amount	31-03-2020
Reserve and Surplus as per IGAPP as on 31-03-2020	35,716.42	35,716.42	35,716.42	35,716.42
• Impact of fair valuing equity shares	1,745.61	1,745.61	1,745.61	1,745.61
• Impact of Deferred tax fair valuing shares	(102.04)	(102.04)	(102.04)	(102.04)
• Impact of Leased assets	(1.66)	(1.66)	(1.66)	(1.66)
Other Equity as per Ind AS on 31-03-2020	37,358.33	37,358.33	37,358.33	37,358.33

9 Under previous GAAP, non-current equity investments were stated at cost, unless provision was made to recognise a decline, other than temporary, in valuation of such investments. Under Ind AS, equity investments are classified as Fair Value Through Other Comprehensive Income (FVTOCI) through an irrevocable election at the date of transition



Valiant Organics Limited

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CIN :- L24230MH2005PLC151348

ANNEXURE II

Standalone and Consolidated Statement of Assets and Liabilities as on dated 30-Sep-2020

Rs. In Lakhs

Particulars	Standalone		Consolidated	
	30-Sep-2020	31-Mar-2020	30-Sep-2020	31-Mar-2020
	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	25,460.48	25,252.86	27,452.58	27,325.57
(b) Capital work-in-progress	21,142.96	12,912.18	21,142.96	12,912.18
(c) Right of use Assets	20.52	28.05	20.52	28.05
(d) Other Intangible Assets	96.00	284.38	96.00	284.38
(e) Goodwill on consolidation	-	-	1,232.76	-
(f) Financial Assets	-	-	-	-
(i) Investments	2,976.17	3,264.90	1,014.65	1,835.81
(ii) Loans	519.81	543.30	878.97	605.44
(g) Other non-current assets	498.62	1,540.85	498.62	1,540.85
Total Non-Current Assets	50,714.56	43,826.51	52,337.05	44,532.27
Current assets				
(a) Inventories	4,436.75	4,092.74	4,588.72	4,486.43
(b) Financial Assets	-	-	-	-
(i) Investments	152.65	117.48	529.15	474.67
(ii) Trade Receivables	10,024.57	11,079.84	13,515.92	13,259.43
(iii) Cash and Cash Equivalents	676.99	754.69	779.00	765.77
(iv) Other Bank Balances	303.47	302.83	508.45	502.19
(v) Loans	29.15	62.92	42.38	74.55
(c) Other Current Assets	3,152.26	2,664.79	2,958.86	2,985.99
Total Current Assets	18,775.85	19,075.28	22,922.48	22,549.02
TOTAL ASSETS	69,490.40	62,901.80	75,259.54	67,081.30
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	1,398.23	1,398.23	1,398.23	1,398.23
(b) Other Equity	43,564.94	37,358.33	43,564.94	37,358.33
(c) Non Controlling Interests			630.13	1,312.68
Total Equity	44,963.17	38,756.56	45,593.31	40,069.24
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities	-	-	-	-
(i) Long-Term Borrowings	7,708.83	8,084.87	8,012.49	8,407.64
(ii) Other financial liabilities	-	-	-	-
(b) Long-term provisions	44.12	37.48	47.12	183.37
(c) Deferred Tax Liabilities (net)	1,528.99	1,433.76	1,587.27	1,491.94
Total non-current liabilities	9,281.95	9,556.10	9,646.89	10,082.95
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	5,474.93	2,214.41	9,752.49	4,063.56
(ii) Trade Payables	6,750.62	8,397.91	7,150.17	8,788.70
(iii) Other Financial Liabilities	2,177.85	3,367.65	2,197.25	3,386.15
(b) Other Current Liabilities	330.07	299.02	374.17	354.82
(c) Provisions	511.82	310.15	545.26	335.88
(d) Current Tax Liabilities (Net)	-	-	-	-
Total Current Liabilities	15,245.28	14,589.13	20,019.34	16,929.12
TOTAL EQUITY AND LIABILITIES	69,490.40	62,901.80	75,259.54	67,081.30

Previous Year's figures are regrouped / rearranged wherever required

Place : Mumbai
Date - 13th Nov 2020

Mr. Arvind Chheda
(Managing Director)
DIN: 00299741



VALIANT ORGANICS LIMITED

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CIN :- L24230MH2005PLC151348

STANDALONE AND CONSOLIDATED CASH FLOW STATEMENT

Rs. In Lakhs

Particulars	Standalone		Consolidated	
	Half Year Ended 30-09-2020	Half Year Ended 30-09-2019	Half Year Ended 30-09-2020	Half Year Ended 30-09-2019
	(Audited)	(Audited)	(Audited)	(Audited)
(A) Cash Flow from Operating Activities				
Net Profit Before Tax And Extra Ordinary Items	7,294.19	9,763.09	8,530.74	9,853.29
Adjustments For:				
Add:				
Finance Cost	139.95	61.53	228.96	146.49
(Profit) / Loss on Sale of Asset	0.33	-	0.33	-
Loss on Investment in Subsidiary	-	-	-	-
Depreciation and Amortization Expense	897.91	585.14	1,016.72	711.93
Less:				
Interest Income	24.95	4.64	29.30	8.66
Profit on sale of investment	-	-	-	-
Gains on Sale / Redemption of Shares / Mutual Funds / Other Income	-	43.46	19.32	55.06
Lease Rent	-	-	-	-
Profit on Investment in Subsidiary	507.43	45.40	-	-
Dividend Income	1.17	14.81	1.17	14.81
Operating Profit Before Working Capital Changes	7,798.84	10,301.44	9,726.96	10,633.19
Adjustments for: Working Capital				
(Increase) / Decrease in Trade Receivables	1,055.27	(212.71)	(256.49)	(244.01)
(Increase) / Decrease in Inventories	(344.01)	(711.92)	(102.29)	(720.43)
(Increase) / Decrease Loans and advances given	57.26	(235.75)	(241.36)	(203.28)
(Increase) / Decrease Current Assets	(655.47)	-	(384.67)	-
(Increase) / Decrease Other non-Current Assets	1,042.23	-	1,042.23	-
Increase / (Decrease) in Trade Payable	(1,647.29)	1,382.08	(1,638.53)	1,700.70
Increase / (Decrease) in Provisions	208.32	-	77.70	-
Increase / (Decrease) in Other Current Liabilities	-	-	(625.45)	-
Increase / (Decrease) in Financial Liabilities	(520.00)	(5.67)	(519.09)	(13.46)
Cash Generated from Operations	6,995.15	10,517.48	7,079.01	11,152.71
Less:				
Direct Taxes Paid	(1,470.00)	(1,840.71)	(1,814.90)	(1,847.03)
Cash Flow Before Extraordinary item	5,525.15	8,676.76	5,264.10	9,305.67
Add/(Less):				
Extraordinary items				
Net Cash From Operating Activities (A)	5,525.15	8,676.76	5,264.10	9,305.67
(B) Cash Flow From Investing Activities				
Addition to Fixed Assets / CWIP (net)	(9,142.53)	(8,803.37)	(10,413.48)	(8,983.86)
Profit/ Loss on sale of asset	1.80	-	1.80	-
(Increase) / Decrease in Investment	-	-	-	-
Increase in NCI	-	-	(682.54)	112.50
Interest Income	24.95	4.64	29.30	8.66
Net Sales Proceeds of Equity Shares/ Mutual fund	1,406.64	(25.41)	1,406.64	(355.41)
Dividend Income	1.17	14.81	1.17	14.81
Investment in LLP	-	(565.00)	-	-
Net Cash from Investing Activities (B)	(7,707.96)	(9,374.33)	(9,657.11)	(9,203.30)
(C) Cash Flow From Financing Activities				
Proceeds / Repayment from Short Term Borrowings	3,260.51	(742.07)	5,036.60	(1,214.62)
Proceeds / Repayment from Long Term Borrowings	(1,014.79)	1,765.44	(395.14)	1,497.34
Dividend & Tax thereon	-	-	-	-
Interest Paid	(139.95)	(61.53)	(228.96)	(146.49)
Net Cash from /(Used) in Financing Activities (C)	2,105.77	961.85	4,412.49	136.23
Net Increase / (Decrease): in Cash and Cash Equivalents (A+B+C)	(77.05)	264.28	19.49	238.60
Opening Balance of Cash and Cash Equivalents	1,057.51	305.55	1,267.96	363.77
Closing Balance of Cash and Cash Equivalents including Other Bank Balances	980.46	569.84	1,287.45	602.36

For Valiant Organics Limited

Place : Mumbai
Date - 13th Nov 2020Mr. 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 30th September 2020 and year to date results for the period 1st April 2020 to 30 September 2020 ("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 applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for quarter ended 30th September 2020 and year to date results for the period 1st April 2020 to 30 September 2020

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.



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 Company's 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.



gokhale & sathe (regd.)

chartered accountants
308/309, Udyog Mandir No. 1,
7-C, Bhagoji Keer Marg,
Mahim, Mumbai 400 016
Tel :91 22 43484242
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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.

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.



gokhale & sathe (regd.)

chartered accountants

308/309, Udyog Mandir No. 1,

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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



CA TEJAS PARIKH

PARTNER

Membership No. 123215

UDIN: -20123215AAAAED5650

Place : Mumbai

Date: 13th November 2020

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 2020 and year to date results for the period 1 April 2020 to 30 September 2020 ("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. includes the results of the following subsidiaries:
 - i. Dhanvallabh Ventures LLP
 - ii. Bharat Chemicals (Partnership Firm)
 - iii. Valiant Speciality Chemical 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 applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for quarter ended 30 September 2020 and year to date results for the period 1 April 2020 to 30 September 2020

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.

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 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 consolidated financial results, the respective management and the Board of Directors/Partners 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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



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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 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 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 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.

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.



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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 two subsidiaries, whose interim financial Results/ financial information reflects total assets of Rs 9363.39 Lakhs as at 30 September 2020, and total revenues of Rs. 3439.89 lakhs and Rs. 7013.26 lakhs and total net profit after tax of Rs. 529.32 lakhs and Rs. 1839.47 lakhs for the quarter ended 30th September 2020 and for the period 1st April 2020 to 30th September 2020, respectively, and cash outflows (net) of Rs.3.10 lakhs for the period from 1st April 2020 to 30th September 2020, 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



CA TEJAS PARIKH
PARTNER
Membership No. 123215
UDIN: -20123215AAAAEE2431
Place : Mumbai
Date: 13th November 2020