#### © CORPORATE OFFICE:

2nd Floor, A Wing, Fortune Avirahi, Jambli Galli Jain Derasar Lane, Borivali (W), Mumbai - 400 092.

(a) +91-22-5070 5050 / 2898 2133 / 7912 / 7914

compliance@heranba.com

www.heranba.co.in

CIN No.L24231GJ1992PLC017315



Date: January 28, 2023

**BSE Limited** 

Phiroze Jeejeebhoy Towers, Dalal Street,

Mumbai- 400001,

Scrip Code: 543266

Dear Sir/Madam,

**National Stock Exchange of India Limited** 

Exchange Plaza, 5<sup>th</sup> Floor Plot no. C/I, G Block,

Bandra - Kurla Complex,

Bandra (E), Mumbai - 400 051.

Symbol: HERANBA

Sub: Outcome of the Board Meeting in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The Board of Directors of the Company at their meeting held on January 28, 2023 inter alia, transacted the following business items:

#### 1. Financial Results

Pursuant to Regulation 33 of Listing Regulation, The Board approved the Un-audited Financial Results for the quarter ended December 31, 2022 together with Auditor's Report thereon.

Please find enclosed herewith the followings:

- a) Un-audited Financial Result (Standalone and Consolidated) for the quarter ended December 31, 2022 together with Auditor's Report thereon;
- b) Press Release on the Financial Results for the quarter ended December 31, 2022.

An extract of the aforementioned results would be published in the newspaper in accordance with the Listing Regulations.

The Financial Result will also be available on the website of the Company at <a href="www.heranba.co.in">www.heranba.co.in</a> and also on website of BSE Ltd at <a href="www.bseindia.com">www.bseindia.com</a> and National Stock Exchange of India Limited at <a href="www.nseindia.com">www.nseindia.com</a>.

The Company hereby declares that the Auditor have expressed an unmodified opinion in the Audit Report on the Financial Result for the quarter ended December 31, 2022.



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The Board Meeting commenced at 11.00 a.m. and concluded at 19.45 p.m.

You are requested to kindly take the above information on record. Thanking You.

Yours faithfully,

For Heranba Industries Limited

Abdul Latif,

Company Secretary and Compliance Officer,

**ICSI Membership No.: A17009** 

Encl. as above

## HERANBA INDUSTRIES LIMITED

CIN: L24231GJ1992PLC017315

REGD. OFFICE: PLOT NO 1504/1505/1506/1 GIDC, PHASE-III VAPI Valsad GUJARAT 396195. Tel No.+91 260 240 1646 CORPORATE OFFICE: 2ND FLOOR, A WING, FORTUNE AVIRAHI, JAIN DERASAR ROAD, BORIVALI - WEST MUMBAI 400092, Tel No.: +91 22 28987912

E-mail: compliance@heranba.com; Website: www.heranba.co.in

Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months ended December 31, 2022

(₹in Millions except per share data)

	(₹in Millions except per							
	D	Quarter ended			Nine months ended		Year ended	
	Particulars	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income							
	a. Revenue from Operations	2,802.14	4,233.31	3,953.94	10,654.79	11,002.35	14,503.73	
	b. Other Income	8.78	40.12	51.28	93.27	145.71	193.50	
	Total Income (a+b)	2,810.92	4,273.43	4,005.22	10,748.06	11,148.06	14,697.23	
Ш	Expenses							
	a. Cost of materials consumed	1,763.93	3,126.61	2,331.30	7,658.53	7,687.73	10,030.19	
	b. Purchases of stock-in-trade	3.37		4.23	3.37	4.23	4.23	
	c. Changes in inventories of work-in-progress and finished							
	goods	173.79	(389.59)	193.63	(507.59)	(602.36)	(728.37)	
	d. Finance costs	23.10	15.57	8.63	50.62	32.37	40.75	
	e. Employee benefits expense	152.42	184.87	191.35	485.94	479.46	584.49	
	f. Depreciation and amortisation expense	57.58	55.52	42.18	165.87	115.67	197.82	
	g. Other expenses	452.93	647.03	521.22	1,631.46	1,461.10	2,015.62	
	Total Expenses (a+b+c+d+e+f+g)	2,627.12	3,640.01	3,292.54	9,488.20	9,178.20	12,144.73	
Ш	Profit/(Loss) before Exceptional Item and Tax (I-II)	183.80	633.42	712.68	1,259.86	1,969.86	2,552.50	
IV	Add/(Less): Exceptional Item (net of tax expense)		-	-	-	-	-	
٧	Profit/(Loss) before Tax (III+/-IV)	183.80	633.42	712.68	1,259.86	1,969.86	2,552.50	
VI	Tax Expense / (Credit)							
	(Add)/Less:							
	a. Current Tax	55.40	166.50	181.00	336.90	530.00	678.00	
	b. Deferred Tax Charge / (Credit)	(15.50)	(9.89)	(3.18)	(34.83)	(25.01)	(16.13)	
	c. Short / (Excess) provision for taxation in earlier year	-	- ()	-	- (555)	(25.02)	(==:==)	
	Total Tax expense (a+/-b+/-c)	39.90	156.61	177.82	302.07	504.99	661.87	
VII	Net Profit/(Loss) for the period (V+/-VI)	143.90	476.81	534.85	957.79	1,464.87	1,890.63	
	Other comprehensive income (net of tax)			55.105	337.73	2,101107	2,050.05	
	i) Items that will not be reclassified to profit or loss	1.21	2.95	11.95	3.64	7.17	(1.90)	
	ii) Items that will be reclassified to profit or loss	-	3.61	0.11	0.85	2.00	2.52	
	Total Other comprehensive income (net of tax)	1.21	6.56	12.06	4.49	9.17	0.62	
IX	Total comprehensive Income/(Loss) (VII+/-VIII)	145.11	483.37	546.91	962.28	1,474.04	1,891.25	
X	Paid-up Equity Share Capital - Face Value Rs.10 each	400.13	400.13	400.13	400.13	400.13	400.13	
XI	Other Equity	700.13	700.13	-400.13	400.13	400.13	6,744.45	
	Earnings Per Equity Share of Rs.10 each (not annualised)						0,744.43	
7311								
	Rs. (Basic)	3.60	11.92	13.37	23.94	36.61	47.25	
	Rs. (Diluted)	3.60	11.92	13.37	23.94	36.61	47.25	





#### Notes:

- The above financial results as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors in their meeting held on January 28, 2023.
- 2 The statutory auditors have carried out a limited review of the financial results and have issued their unmodified report thereon.
- The standalone financial results of Heranba Industries Limited (the Company) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure requirements), 2015 as amended.
- On April 09,2022, the Company incorporated a Wholly-Owned Subsidiary Company namely "Mikusu India Private Limited. The Company has subscribed to 50,000 (Fifty Thousand) Equity Shares at the face value of Rs. 10 each aggregating to Rs. 0.50 million. The wholly owned subsidiary shall carry out the business in the field of Agro Chemicals.
- On August 29,2022, the Company incorporated another Wholly-Owned Subsidiary Company namely "Heranba Organics Private Limited. The Company has subscribed to 1,00,000 (One Lakh) Equity Shares at the face value of Rs. 10 each aggregating to Rs. 1.00 million. The wholly owned subsidiary shall carry out the business in the field of Agro Chemicals.
- The company is engaged in manufacture and sale of Agro Chemical business. As the Company's business acitivity falls within a single business segment and as such there is no separate reportable segment as per AS 108 " Operation Segments".
- 7 Figures for the previous period have been regrouped / re-classified to confirm to the figures of the current period.

By Order of the Board For Heranba Industries Limited

> Raghuram K Shetty Managing Director DIN-00038703

Place: Mumbai Date: January 28, 2023



#### CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel.: 6752 7100 Fax: 6752 7101 E-mail: nvc@nvc.in

Independent Auditor's Review Report on Standalone Unaudited Financial Results for the Quarter and nine months ended December 31,2022 of Heranba Industries limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as Amended)

To,
The Board of Directors of
Heranba Industries Limited

- 1. We have reviewed the accompanying statement of standalone unaudited financial results ("the Statement") of Heranba Industries Limited ("the Company") for the quarter and nine months ended December 31, 2022, being submitted by the Company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
- 2. The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. This statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind-AS 34) prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion in our report on this statement of standalone unaudited financial results based on our review.
- 3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatements. A review of interim financial information consists of making inquiries, primarily of persons responsible for accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with applicable accounting standards as specified under section 133 of the

#### CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel.: 6752 7100 Fax: 6752 7101 E-mail: nvc@nvc.in

Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The standalone financial results for the comparative period and nine months ended on December 30,2021 and year ended on March 31,2022, included in the enclosed statement, are based on published financial results for the respective period as reviewed/audited by M/s. N.S. Shetty & Co., Chartered Accountants, vide their unmodified limited review report dated January 29,2022 and unmodified audit report dated May 14,2022 respectively.

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

N Jayendran

Partner

M. No. 040441

Mumbai Dated: January 28, 2023

UDIN: 23040441BGYGGC4439

AL VEPA

Mumbai

### **HERANBA INDUSTRIES LIMITED**

CIN NO: L24231GJ1992PLC017315

Regd. Office:PLOT NO 1504/1505/1506/1 GIDC, PHASE-III, VAPI, Valsad-396195, Gujarat, India, Tel. No.: +91 260 240 1646

Corporate Office: 2nd Floor, A Wing, Fortune Avirahi, Jain Derasar Road, Borivali-West, Mumbai-400092, Tel. No.: +91 22 28987912

Email: compliance@heranba.com, website: www.heranba.co.in

	Statement of Unaudited Consolidated Financial Results for the Quarter	and nine months	ended Decembe	r 31, 2022			
		(₹	in million except	per share data)			
			Nine months				
	Particulars	Quarter	ended				
		31.12.2022	30.09.2022	31.12.2022			
		Unaudited	Unaudited	Unaudited			
1	Revenue from Operations	2,760.30	4,206.78	10,586.42			
П	Other Income	6.47	40.01	90.85			
III	Total Income (I + II )	2,766.77	4,246.79	10,677.27			
IV	Expenses						
	(a) Cost of materials consumed	1,763.37	3,129.27	7,660.63			
-	(b) Purchase of stock in trade	3.37	-	3.37			
	(c) Changes in Inventories of Finished Goods and Work-in-Progress	131.49	(420.17)	(580.47			
	(d) Employee Benefit Expenses	160.13	190.15	500.40			
	(e) Finance Costs	23.10	15.60	50.65			
	(f) Depreciation and Amortisation Expenses	57.89	55.80	166.52			
	(g) Other Expenses	463.86	650.00	1,646.53			
	Total Expenses (IV)	2,603.21	3,620.65	9,447.63			
٧	Profit / (Loss) before tax (III - IV)	163.56	626.14	1,229.64			
VI	Tax Expense						
	(a) Current Tax	55.40	166.50	336.90			
	(b) Deferred tax charge / (credit)	(18.20)	(11.90)	(39.53)			
	(c) Tax Adjustment of earlier periods	-	-				
VII	Net Profit / (Loss) after tax but before non-controlling interests(V-VI)	126.36	471.54	932.27			
VIII	Less: Share of non-controlling interests	-	-				
IX	Net Profit / (Loss) after share of non-controlling interests (VII-VIII)	126.36	471.54	932.27			
K	Other Comprehensive Income						
	(a) Items that will not be reclassified to profit or loss (net)	1.22	2.94	3.64			
	(b) Items that will be reclassified to profit or loss (net)	-	3.61	0.85			
	Other Comprehensive Income / (Loss) for the period, net of tax	1.22	6.56	4.49			
ΧI	Total Comprehensive Income after tax (IX + X)	127.58	478.10	936.76			
-	Other Comprehensive Income for the period attributable to :						
	Owners of the parent	1.22	6.56	4.49			
	Non-controlling interest - profit / (loss)	-	-	-			
	Total Comprehensive Income for the period attributable to:						
	Owners of the parent	127.58	478.10	026 76			
-	Non-controlling interest - profit / (loss)			936.76			
	Non-controlling interest - profit / (loss)	-	- 15	•			
X	Paid-up equity share capital (Face value of Rs.10/- each)	400.13	400.13	400.13			
ΧI	Earnings per share (of Rs.10/- each) - Not annualised:						
	Basic & Diluted	3.16	11.78	23.30			



#### Notes:

- The above financial results as reviewed by the Audit Committee, were approved and taken on record by the Board of 1 Directors in their meeting held on January 28, 2023.
- 2 Corporate Office: 2nd Floor, A Wing, Fortune Avirahi, Jain Derasar Road, Borivali-West, Mumbai-400092, Tel. No.: +91 22 28987912
- The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified 3 under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and in terms of regulation 33 of the SEBI ( Listing Obligations and Disclosure requirements ), 2015 as amended.
- On April 09,2022, the Company incorporated a Wholly-Owned Subsidiary Company namely "Mikusu India Private Limited. 4 The Company has subscribed to 50,000 (Fifty Thousand) Equity Shares at the face value of Rs. 10 each aggregating to Rs.  $0.50\,\mathrm{million}.$  The wholly owned subsidiary shall carry out the business in the field of Agro Chemicals.
- 5 On August 29,2022, the Company incorporated another Wholly-Owned Subsidiary Company namely "Heranba Organics Private Limited. The Company has subscribed to 1,00,000 (One Lakh) Equity Shares at the face value of Rs. 10 each aggregating to Rs. 1.00 million. The wholly owned subsidiary shall carry out the business in the field of Agro Chemicals.
- Since the acquisition of Mikusu India Private Limited and Heranba Organics Private Limited has resulted in the company 6 preparing consolidated financial results for the first time from June 2022, the comparative figures of quarter and Nine months ended December 31, 2021 and for the year ended March 31, 2022 are not presented.
- In Accordance with Ind AS 108 "Operating Segments", the Group is engaged in manufacture and sale of Agro Chemical 7 business. The geographic information of the Group's revenue in India and Outside India are tabulated below

Particulars		Quarter Ended	Quarter Ended	Nine months ended	
		31.12.2022	30.09.2022	31.12.2022	
India	Segment Revenue	1,325.01	2,792.42	6,636.35	
	% of Total Segment revenue	48%	67%	63%	
Outside India	Segment Revenue	1,411.80	1383.78	3896.0	
	% of Total Segment revenue	52%	33%	379	
Total	Segment Revenue	2,736.82	4,176.20	10,532.35	
	% of Total Segment revenue	100%	100%	100%	

By Order of the Board For Heranba Industries Limited

> Raghuram K Shetty **Managing Director** DIN-00038703

Place: Mumbai

Date: January 28, 2023



#### CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel.: 6752 7100 Fax: 6752 7101 E-mail: nvc@nvc.in

Independent Auditor's Review Report on Unaudited Consolidated Financial Results for the Quarter and nine months ended December 31, 2022 of Heranba Industries limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as Amended)

To, The Board of Directors of Heranba Industries Limited,

- 1. We have reviewed the accompanying statement of unaudited consolidated financial results of Heranba Industries Limited (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 2022 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
- 2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with regulation 33 of the Listing Regulations. 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. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.
- 5. The Statement includes unaudited standalone financial results of the following entities:

	Wholly owned Subsidiary	
AL VEPAR	Mikusu India Private Limited	
1 13/ 1	Heranba Organics Private Limited	

Name of the Entities



#### CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai 400 021. Tel.: 6752 7100 Fax: 6752 7101 E-mail: nvc@nvc.in

- 6. Based on our review conducted and procedures performed as stated in paragraph 3 and 4 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 Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
- 7. Attention is invited to Note 6 of the Statement highlighting the fact that the Company has prepared Consolidated Financial results for the first time in June 30, 2022, and therefore the comparative figures for the quarter and nine months ended December 31,2021 and for the year ended March 31,2022 are not presented.

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

N Jayendran Partner

M. No. 040441

Mumbai Dated: January 28,2023

UDIN: 23040441BGYGGD8030

Mumbai

#### PRESS RELEASE

# Heranba Industries Limited Reports Q3 & 9MFY23 Results

Revenues at ₹10,655 million during 9MFY23

Mumbai, January 28<sup>th</sup>, 2023: Heranba Industries Ltd. (BSE: 543266, NSE: HERANBA, ISIN: INE694N01015), one of India's leading Agrochemical company has announced its financial results for third quarter and nine month ended December 31<sup>st</sup>, 2022.

#### **Financial Snapshot:**

Particulars		Quarterly			Nine Month	ly	Annual
(in INR millions)	Q3FY23	Q3FY22	Change	9MFY23	9MFY22	Change	FY22
Revenues	2,802	3,954	(29.1%)	10,655	11,002	(3.2%)	14,504
EBITDA	264	763	(65.4%)	1,476	2,118	(30.3%)	2,791
EBITDA margin	9.41%	19.06%	(965 bps)	13.74%	19.00%	(526 bps)	18.99%
PAT	144	535	(73.1%)	958	1,465	(34.6%)	1,891
PAT margin	5.14%	13.53%	(839 bps)	8.99%	13.31%	(432 bps)	13.04%

#### Financial Highlights for Quarter Ended December 31st, 2022:

- Revenue from Operations stood at ₹2,802 million in Q3FY23 as compared to ₹3,954 million in Q3FY22.
- EBITDA stood at ₹264 million during the quarter with EBITDA margin at 9.41% in Q3FY23.
- Profit After Tax stood at ₹144 million in Q3FY23 as compared to ₹535 million in Q3FY22.

Mr. Raghuram K. Shetty, Managing Director of Heranba Industries Limited, commented, "The Company's 9M FY23 revenues stood at ₹10,655 million impacted by challenging global macros including prolonged geopolitical concerns, rising inflation in major economies and slowdown in demand. The domestic technical business witnessed lower demand due to challenging market conditions coupled with higher inventory. Our export business was impacted by volatile global macroeconomics. The EBITDA margins were suppressed during 9MFY23 due to higher raw material prices and an increase in power & fuel costs.

Heranba's capex plans are progressing as planned and it will further strengthen the Company's capacities and capabilities for the coming years. Heranba aims to leverage its sales and marketing teams reach to strengthen its relationships with existing customers along with adding new customers. The near-term outlook is challenging for the entire agrochemical industry. However, Heranba will continue to diversify its product portfolio, widen its distribution network and sharpen its R&D focus for creating sustainable growth."



### PRESS RELEASE

#### **About Heranba Industries Limited:**

Heranba is a leading agrochemical company in India. Heranba's mission is to improve Crop Productivity and Public Health. It is committed to the wellness of world citizens. Heranba manufacturers Synthetic Pyrethroids and its intermediates in India. It has 4 (four) manufacturing facilities across India with employee strength of more than 650. It has a wide network of businesses in India as well as across the globe. Heranba has expertise on all the key chemical reactions on commercial scale.

For more information on Heranba, please visit <a href="https://www.heranba.co.in">https://www.heranba.co.in</a>

#### For further details please get in touch with:

**Abdul Latif** 

Heranba Industries Limited Tel No.: +91 22 2898 7912

Email: <a href="mailto:compliance@heranba.com">compliance@heranba.com</a>

Hiral Keniya | Vikash Verma

**Ernst & Young LLP** 

Email: <u>hiral.keniya@in.ey.com</u> <u>vikash.verma1@in.ey.com</u>