

Independent Auditor's Review Report on Unaudited Consolidated Quarterly Financial Results for the quarter and half year ended September 30, 2023 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 half year ended September 30, 2023 ("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 is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors. This statement 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.



Natvarlal Vepari & Co.

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

5. The Statement includes unaudited standalone financial results of the following entities:

Name of the Entities
Heranba Industries Limited- Holding Company
Wholly owned Subsidiaries
Mikusu India Private Limited
Heranba Organics Private Limited

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.

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



N Jayendran
Partner

M. No. 040441

Mumbai Dated: November 2, 2023

UDIN: 23040441BGYGIV2728



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 AVIRAH, JAIN DERASAR ROAD, BORIVALI - WEST
MUMBAI 400092, Tel No.: +91 22 28987912

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

Unaudited Statement of Consolidated Assets and Liabilities as at September 30, 2023

(` in crores)

Particulars	As at 30th Sept 2023	As at 31st Mar 2023
ASSETS		
Non-Current Assets		
(a) Property, plant and equipment	218.27	208.52
(b) Capital work-in-progress	165.27	71.73
(c) Financial assets	-	-
(i) Investments	0.64	0.77
(ii) Loans	-	-
(iii) Other financial assets	6.59	5.81
(d) Deferred tax assets (Net)	9.84	7.92
(e) Other non-current assets	28.81	23.37
Total Non-Current Assets	429.42	318.12
Current Assets		
(a) Inventories	323.57	303.59
(b) Financial assets	-	-
(i) Investments	-	-
(ii) Trade receivables	526.90	386.18
(iii) Cash and cash equivalents	35.07	100.06
(iv) Bank balances other than (ii) above	10.01	19.37
(v) Other financial assets	2.71	2.87
(c) Other current assets	53.13	32.09
Total Current Assets	951.39	844.16
TOTAL ASSETS	1,380.81	1,162.28
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	40.01	40.01
(b) Other equity	786.75	770.36
Total Equity	826.76	810.37
Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities		
(i) Long Term Borrowings	-	-
(ii) Lease Liabilities	3.64	3.51
(iii) Other Financial Liabilities	-	-
(b) Provisions	10.15	8.99
Total Non-Current Liabilities	13.79	12.50
Current Liabilities		
(a) Financial Liabilities		
(i) Short Term Borrowings	83.84	89.01
(ii) Lease Liabilities	0.58	0.48
(iii) Trade payables		
- Dues of Micro and Small Enterprise	33.61	14.47
- Dues of Other than Micro and Small Enterprise	342.64	174.85
(iv) Other Financial Liabilities	62.09	43.08
(b) Other current liabilities	8.37	8.09
(c) Provisions	1.63	1.63
(d) Current tax Liabilities (Net)	7.50	7.80
Total Current Liabilities	540.26	339.41
Total Liabilities	554.05	351.91
TOTAL EQUITY AND LIABILITIES	1,380.81	1,162.28



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Unaudited Statement of Consolidated Financial Results for the quarter and year ended September 30, 2023

(' in crores)

Sr No.	Particulars	Quarter Ended			Half Year ended		Year Ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Income						
	(a) Revenue from Operations	424.29	275.21	420.68	699.50	782.61	1,318.82
	(b) Other Income	1.84	5.79	4.00	7.63	8.44	12.22
	Total Income	426.13	281.00	424.68	707.13	791.05	1,331.04
II	Expenses						
	(a) Cost of materials consumed	312.00	195.87	312.93	507.87	589.73	907.99
	(b) Purchase of stock in trade	0.21	0.09	-	0.30	-	7.30
	(c) Changes in Inventories of Finished Goods and Work-in-Progress	(19.96)	18.18	(42.02)	(1.78)	(71.20)	(33.32)
	(d) Employee Benefit Expenses	23.06	17.60	19.02	40.66	34.03	67.06
	(e) Finance Costs	2.13	2.32	1.56	4.45	2.76	7.94
	(f) Depreciation and Amortisation Expenses	6.18	5.63	5.58	11.81	10.86	22.73
	(g) Other Expenses	64.70	47.48	65.00	112.18	118.27	213.76
	Total Expenses	388.32	287.17	362.07	675.49	684.45	1,193.46
III	Profit before Tax (I-II)	37.81	(6.17)	62.61	31.64	106.60	137.58
IV	Tax Expenses/(Credit)						
	(a) Current Tax	11.75	0.53	16.65	12.28	28.15	38.87
	(b) (Excess) / Short provision for taxation in respect of earlier years	-	-	-	-	-	(0.49)
	(c) Deferred tax charge / (credit)	(0.85)	(1.09)	(1.19)	(1.94)	(2.13)	(5.17)
	Total Tax expense	10.90	(0.56)	15.46	10.34	26.02	33.21
V	Profit for the Year after Taxes (III-IV)	26.91	(5.61)	47.15	21.30	80.59	104.37
VI	Other Comprehensive Income (net of Taxes)						
	(a) Items that will not be reclassified to profit or loss (net)	0.05	0.03	0.29	0.08	0.24	0.10
	(b) Items that will be reclassified to profit or loss (net)	-	-	0.36	-	0.09	0.08
	Total Other Comprehensive Income (net of Taxes)	0.05	0.03	0.66	0.08	0.33	0.19
VII	Total Comprehensive Income for the period (V+VI)	26.96	(5.58)	47.81	21.38	80.91	104.56
	Other Comprehensive Income for the period attributable to :						
	Owners of the parent	0.05	0.03	0.66	0.08	0.33	0.19
	Non-controlling interest - profit / (loss)	-	-	-	-	-	-
	Total Comprehensive Income for the period attributable to :						
	Owners of the parent	26.96	(5.58)	47.81	21.38	80.91	104.56
	Non-controlling interest - profit / (loss)	-	-	-	-	-	-
VIII	Paid up Equity Share Capital (Face value of Rs.10 Each fully paid up)	40.01	40.01	40.01	40.01	40.01	40.01
IX	Other Equity						810.37
X	Earning per share (not annualised for the quarters)						
	(a) Basic	6.73	(1.40)	11.78	5.32	20.14	26.08
	(b) Diluted	6.73	(1.40)	11.78	5.32	20.14	26.08



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Unaudited Statement of Consolidated Cash Flow Statement for the period ended 30th September, 2023

(' in Crores

Particulars	30 Sept, 2023 (Unaudited)
[A] CASH FLOW FROM OPERATING ACTIVITIES	
Profit/(Loss) before tax	31.64
Adjustments for:	
Depreciation/Amortisation/Impairment of Property, Plant and Equipments	11.81
Dividend Income	(0.00)
Interest Income	(2.10)
Interest Expenses	4.45
Provision for Doubtful Receivables/Advances/Sundry balances written off	0.07
Fair value of Investment	0.26
(Profit)/Loss on sale of Property, Plant and Equipments (Net)	(0.01)
Unrealised foreign exchange (gain)/loss (Net)	1.28
Operating Profit/(Loss) before changes in working capital	47.40
Adjustment for (Increase)/Decrease in Operating Assets	
Adjustments for decrease (increase) in inventories	(19.98)
Adjustments for decrease (increase) in trade receivables, current	(136.80)
Adjustments for decrease (increase) in other current assets	(21.03)
Adjustments for other financial assets, non-current	0.15
Adjustments for other financial assets	(0.62)
Adjustment for Increase/(Decrease) in Operating Liabilities	
Adjustments for increase (decrease) in trade payables, current	187.06
Adjustments for increase (decrease) in other current liabilities	0.28
Adjustments for provisions, current	0.11
Adjustments for provisions, non-current	1.16
Adjustments for other financial liabilities, current	9.90
Adjustments for other financial liabilities, non-current	-
Cash flow from operations after changes in working capital	67.63
Net Direct Taxes (Paid)/Refunded	(13.32)
Net Cash Flow from/(used in) Operating Activities	54.31
[B] CASH FLOW FROM INVESTING ACTIVITIES	
Proceeds from sales of property, plant and equipment	0.04
Purchase of property, plant and equipment	(110.64)
Purchase of investment	(0.13)
Dividends received	0.00
Interest received	2.10
Investment in Bank Deposit	9.36
Net Cash Flow from/(used in) Investing Activities	(99.27)
[C] CASH FLOW FROM FINANCING ACTIVITIES	
Net Proceeds from short term borrowings	(10.58)
Payments of finance lease liabilities	(0.60)
Dividends paid	(5.00)
Interest paid	(3.85)
Net Cash Flow from/(used in) Financing Activities	(20.03)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(64.99)
Cash & Cash Equivalents at beginning of period	100.06
Cash and Cash Equivalents at end of period	35.07
Notes:	
1 Cash and Cash equivalents comprises of:	
Cash on Hands	0.10
Balance with Banks	7.68
In deposit with maturity of less than three months	27.29
Cash and Cash equivalents	35.07



Notes:

- 1 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 November 02, 2023.
- 2 The statutory auditors have carried out a limited review of the financial results for the half year ended September 30, 2023 and have issued their unmodified report thereon.
- 3 The financial results of 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.
- 4 Since the subsidiaries were incorporated on April 09, 2022 and August 29, 2022 the comparative figures for quarter ended September 30, 2022 are considering the financial results for such period of each of the subsidiary.
- 5 Since the incorporation of Mikusu India Private Limited and Heranba Organics Private Limited as the subsidiaries of the company happened in April 22 and August 22 respectively, the Company has prepared the consolidated financial results for the first time in June 22. Accordingly, the Statement of cash flow under indirect method is not prepared for comparative half year ended September 30, 2022, as the opening consolidated financial statements were not available.
- 6 The Board of Directors of the Holding Company at their meeting held on May 30, 2023 had recommended dividend of 1.25 per share (12.5% of FV- Rs.10) on the outstanding equity shares of nominal value of Rs. 10/- each as on record date. The said dividend was approved by the shareholders in the Annual General Meeting of the Holding Company held on August 24, 2023 and has since been paid out.
- 7 In Accordance with Ind AS 108 "Operating Segments", the Group is engaged in manufacture and sale of Agro Chemical business. The geographical information of the Group's revenue in India and Outside India are tabulated below

Particulars		Quarter Ended			Half Year ended		Year Ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
India	Segment Revenue	316.75	165.34	279.24	482.09	531.13	776.48
	% of Total Segment revenue	74.65%	39.30%	66.38%	68.92%	75.93%	58.88%
Outside India	Segment Revenue	107.54	109.87	141.44	217.41	251.48	542.34
	% of Total Segment revenue	25.35%	26.12%	33.62%	31.08%	35.95%	41.12%
Total	Segment Revenue	424.29	275.21	420.68	699.50	782.61	1,318.82
	% of Total Segment revenue	100.00%	65.42%	100.00%	100.00%	111.88%	100.00%

By Order of the Board
For Heranba Industries Limited



Raghuram K Shetty
Managing Director
DIN-00038703

Place: Mumbai
Date: November 02, 2023

