

**NAGORI NUWAL & CO.**  
CHARTERED ACCOUNTANTS  
229, Starlit Tower, 29 Y.N. Road, Indore, 452001  
Email: nagorinuwal@yahoo.com

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**Auditor's report on Standalone Financial Results of LE MERITE EXPORTS LIMITED for the half year and year ended March 31, 2022 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

**Independent Auditors Report on Standalone Financial Results:**

To  
The Board of Directors of LE MERITE EXPORTS LIMITED,

**Opinion**

We have audited the accompanying statement of Standalone Financial Results ("the Statement") of LE MERITE EXPORTS LIMITED (hereinafter referred to as "the Company") for the half year and year ended March 31, 2022, 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, the aforesaid year to date standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended in this regard; and
- (ii) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the half year and year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those standards 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 on the financial results.

**Management's and Board of Directors' Responsibilities for the Financial Results**

These financial results have been prepared on the basis of the financial statements. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit/loss and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued

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## CHARTERED ACCOUNTANTS

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thereunder 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; 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 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 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 responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.



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CHARTERED ACCOUNTANTS

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- Conclude on the appropriateness of Management and 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 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.

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.

**Other Matter**

The financial results include the results for the half year ended March 31, 2022 being the balancing figures between the audited figures of the full financial year and the unaudited year to date figures up to the 1st half year of the current financial year.

For,  
**Nagori Nuwal & Co.,**  
Chartered Accountants,  
F.R.N.: 08185C



**CA Shankar Lal Laddha**  
Partner  
Membership No.: 076554

Place: Indore  
Date: 30-05-2022  
UDIN: 22076554AJXHYS4713

**LE MERITE EXPORTS LIMITED**  
**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022**

(Amount in Lakhs)

Particulars	As at 31st March, 2022 Audited	As at 31st March, 2021 Audited
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>(1) Shareholders' Funds</b>		
Share Capital	1,708.10	170.81
Reserves and Surplus	2,840.59	2,271.92
	4,548.69	2,442.73
<b>(2) Share application money pending allotment</b>		
<b>(3) Non-Current Liabilities</b>		
Long-Term Borrowings	154.99	125.22
Deferred Tax Liabilities	-	1.97
Other Long Term Provisions	17.06	-
	172.05	127.19
<b>(4) Current Liabilities</b>		
Short-Term Borrowings	9,832.96	5,274.16
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,914.45	1,181.41
Other Current Liabilities	1,152.98	143.54
Short-term Provisions	47.52	38.66
	12,947.91	6,637.76
<b>Total</b>	<b>17,668.65</b>	<b>9,207.68</b>
<b><u>ASSETS</u></b>		
<b>(1) Non-Current Assets</b>		
Property Plant and Equipment and Intangible Assets		
Property Plant and Equipment	295.28	162.04
Non-Current Investments	110.68	107.62
Deferred Tax Asset	0.84	-
Long Term Loans and Advances	30.31	35.91
Other Non Current Asset	233.10	148.29
	670.22	453.86
<b>(2) Current Assets</b>		
Current Investments	70.21	62.84
Inventories	1,256.81	1,013.40
Trade Receivables	12,681.89	5,850.12
Cash and Cash Equivalents	823.56	795.58
Short-Term Loans and Advances	2,137.45	1,001.02
Other Current Assets	28.52	30.86
	16,998.43	8,753.82
<b>Total</b>	<b>17,668.65</b>	<b>9,207.68</b>

For and on behalf of Board of Directors  
of Le Merite Exports Limited

  
**Abhishek Lath**  
Managing Director and Chief Financial Officer  
(DIN - 00331675)  
Place: Mumbai  
Date: 30-05-2022




**LE MERITE EXPORTS LIMITED**  
**STANDALONE STATEMENT AUDITED FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 31ST MARCH, 2022**  
Pursuant to regulation 33 of SEBI (LODR) Regulation, 2015

(Amount in Lakhs)

Particulars	Half Year ended			Year ended	
	31st March, 2022 Audited	30th September, 2021 Unaudited	31st March, 2021 Unaudited	31st March, 2022 Audited	31st March, 2021 Audited
<b>(A) REVENUE</b>					
Revenue From Operations	31,255.57	21,334.58	14,493.86	52,590.14	26,839.37
Other Income	56.43	50.72	420.52	107.16	54.52
<b>Total Income</b>	<b>31,312.00</b>	<b>21,385.30</b>	<b>14,914.38</b>	<b>52,697.30</b>	<b>26,893.89</b>
<b>(B) EXPENDITURE</b>					
Purchase	26,924.31	17,055.05	13,752.31	43,979.36	24,384.33
Changes in Inventories	(592.32)	348.91	(698.52)	(243.41)	(734.69)
Employee Benefits Expenses	359.86	190.73	151.68	550.59	277.29
Finance Costs	203.17	155.06	92.08	358.23	165.00
Depreciation and Amortization Expense	25.59	24.60	6.29	50.19	16.39
Other Expenses	3,084.94	2,119.25	1,092.00	5,204.19	1,868.78
<b>Total Expenditure</b>	<b>30,005.54</b>	<b>19,893.60</b>	<b>14,395.85</b>	<b>49,899.15</b>	<b>25,977.10</b>
<b>Profit Before Exceptional and Extraordinary Items and Tax</b>	<b>1,306.46</b>	<b>1,491.70</b>	<b>518.53</b>	<b>2,798.15</b>	<b>916.78</b>
Exceptional Items	-	-	-	-	-
<b>Profit Before Extraordinary Items and Tax</b>	<b>1,306.46</b>	<b>1,491.70</b>	<b>518.53</b>	<b>2,798.15</b>	<b>916.78</b>
Extraordinary Items	-	-	-	-	-
<b>Profit Before Tax</b>	<b>1,306.46</b>	<b>1,491.70</b>	<b>518.53</b>	<b>2,798.15</b>	<b>916.78</b>
<b>Tax Expense:</b>					
(1) Current tax	319.69	375.31	163.00	695.00	230.00
(2) Deferred tax	(0.97)	(1.84)	0.35	(2.81)	0.68
(3) Excess / Short Tax Provision W/off				-	(9.61)
<b>Profit for the year</b>	<b>987.74</b>	<b>1,118.22</b>	<b>355.18</b>	<b>2,105.96</b>	<b>695.70</b>
<b>Earning per equity share of the face value of Rs.10/- each</b>					
(1) Basic	5.78	6.55	2.08	12.33	4.07
(2) Diluted	5.78	6.55	2.08	12.33	4.07

For and on behalf of Board of Directors  
of Le Merite Exports Limited

  
Abhishek Lath  
Managing Director and Chief Financial Officer  
(DIN - 00331675)  
Place: Mumbai  
Date: 30-05-2022





**LE MERITE EXPORTS LIMITED**  
**STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022**

(Amount in Lakhs)

		As at 31st March, 2022 Audited	As at 31st March, 2021 Audited
<b>A. Cash flow from Operating Activities</b>			
Profit/(loss) before tax		2,798.15	916.78
<b>Adjustment For :</b>			
Depreciation		50.19	16.39
Provisions		25.91	-
<b>Operating Profit/(Loss) before Working Capital changes</b>		<b>2,874.25</b>	<b>933.17</b>
Adjustment for increase/decrease in:			
Increase / Decrease in trade payables		733.05	347.81
Increase / Decrease in other current liabilities		1,009.44	13.98
Increase / Decrease in inventories		(243.41)	(734.69)
Increase / Decrease in trade receivables		(6,831.77)	(2,092.34)
Increase / Decrease in short term loans & advances		(1,136.43)	(456.84)
Increase / Decrease in long term loans & advances		(84.82)	(41.96)
Increase / Decrease in other current assets		2.35	37.22
<b>Operating Profit/(Loss) after Working Capital changes</b>		<b>(3,677.34)</b>	<b>(1,993.64)</b>
<b>Operating Profit/(Loss) before Tax</b>		<b>(3,677.34)</b>	<b>(1,993.64)</b>
Less : Tax Paid (Net)		(695.00)	(220.39)
<b>Net Cash generated from Operating Activities</b>	(A)	<b>(4,372.34)</b>	<b>(2,214.03)</b>
<b>B. Cash flow from Investment Activities</b>			
Payment towards capital expenditure		(183.44)	(21.38)
Non- Current Investments		(3.06)	-
Current Investments		(7.37)	7.13
<b>Net Cash From Investment Activities</b>	(B)	<b>(193.86)</b>	<b>(14.25)</b>
<b>C. Cash flow from Financing Activities</b>			
Increase in Long Term Borrowings		29.77	70.64
Increase in Short Term Borrowings		4,558.81	2,430.41
Long Term Loans and Advances		5.60	(19.40)
<b>Net Cash from Financing Activities</b>	(C)	<b>4,594.18</b>	<b>2,481.65</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	(A+B+C)	<b>27.98</b>	<b>253.36</b>
Cash and Cash Equivalents at the beginning of the year		795.58	542.21
<b>Cash and Cash Equivalents as at the end of the year</b>		<b>823.56</b>	<b>795.58</b>
<b>Components of cash and cash equivalents</b>			
Cash in hand		0.33	1.44
Balances with banks		823.23	794.14
<b>Total</b>		<b>823.56</b>	<b>795.58</b>

For and on behalf of Board of Directors  
of Le Merite Exports Limited




**Abhishek Lath**  
Managing Director and Chief Financial Officer  
(DIN - 00331675)  
Place: Mumbai  
Date: 30-05-2022

**NOTES TO AUDITED STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED ON MARCH 2022:**

1. The above Statement of Audited Financial Results ("Financial Results,") for the Half year and year ended 31 March 2022, are prepared and published in accordance with Regulation 33 of the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015, as amended. These financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30th May 2022. These Financial Results have been subject to an audit by the statutory auditors of the Company who have expressed an unmodified opinion thereon. These financial results are prepared in accordance with the principles laid down in Accounting Standards as prescribed under Section 133 of the companies Act, 2013, ("the Act") read with the relevant Rules thereunder and other accounting principles generally accepted in India.
2. The requirement of AS-17th "Segment Reporting" is not applicable to the Company as it is engaged in single business segment.
3. Previous period's figures have been regrouped/re-classified wherever necessary to make the same comparable.
4. The company have following subsidiaries namely - Le Merite Laxmi Spinning Private Limited and Le Merite Filament Private Limited; therefore, standalone and consolidated financials are presented.
5. Changes in Accounting Policy:
  - a. The Company has previously been reporting the carrying amount of current investments at cost. However, in order to comply with Accounting Standard 13 – Accounting for Investments, the carrying amount of investments will now be reported at lower of cost and fair value.
  - b. The Company previously has been providing expenditure of Gratuity on Actual Cash Payment Basis. However, in order to comply with Accounting Standard 15 – Employee Benefits, the Expenditure for Gratuity has been provided as per Actuarial Valuation Report in FY 2021-2022.

Impacts to Profit and Loss Accounts: (In Lakhs)

Particulars	Reduction in Profit in FY 2021-22
Valuation of Current Investments	13.54
Expenditure of Gratuity	20.11

6. Pursuant to the approval of the shareholders, the company has issued 1,53,72,900 bonus shares in the ratio of nine Equity Shares of `10/- each for one existing equity share of `10/- each on Record Date 25th January, 2022. Accordingly, earnings per share (EPS) (basic and diluted) have been adjusted on account of bonus shares.

7. The company has made an Initial Public Offer (IPO) of 64,00,000 Equity Shares each of Rs. 75/- having face value of Rs. 10/- per share and share premium of Rs. 65/- per share aggregating to Rs. 4,800 Lakhs. The allotment for the said IPO was made on 04<sup>th</sup> May, 2022 ranking pari passu with the existing shares. The shares of the company were listed on NSE Emerge (SME Platform of National Stock Exchange of India Limited (NSE) on 09<sup>th</sup> May, 2022.
8. The Board of Directors at its meeting held on 30<sup>th</sup> May, 2022 had recommended the dividend of Rs. 1/- per equity share of Rs. 10/- each for the FY 2021-22.
9. As per requirements of regulation 33 of the Securities and Exchange Board of India, the company is required to publish standalone and consolidated audited financial results. Investors can view the audited standalone and consolidated financial results of the company for the half year and year ended on March 31, 2022 on the Company's website [www.lemeriteexports.com](http://www.lemeriteexports.com) or on [www.nseindia.com](http://www.nseindia.com), the website of National Stock Exchange of India Limited (NSE).

For and on behalf of the Board  
**Le Merite Exports Limited,**



**Abhishek Lath**  
**MD & CFO**  
**DIN: 00331675**  
**Place: Mumbai**  
**Date: 30-05-2022**