

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF GMM Pfaudler Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **GMM Pfaudler Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended June 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.
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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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 issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of entities as given in Annexure to this report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of review reports of the other auditors referred in paragraph 6 below, 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 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.



6. We did not review the interim financial results of 19 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 601.18 crore for the quarter ended June 30, 2023, total net profit after tax of Rs. 31.07 crore for the quarter ended June 30, 2023 and total comprehensive income of Rs. 35.29 crore for the quarter ended June 30, 2023, as considered in the Statement, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports 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 included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

All of these subsidiaries are located outside India whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the interim 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 Parent's management. Our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.

Our Conclusion on the Statement is not modified in respect of these matters.

7. The consolidated unaudited financial results include the interim financial results of 1 subsidiary which has not been reviewed by its auditor, whose interim financial results reflect total revenues of Rs. 0.68 crore for the quarter ended June 30, 2023, total profit after tax of Rs. 0.44 crore for the quarter ended June 30, 2023 and total comprehensive income of Rs. 0.44 crore for the quarter ended June 30, 2023, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)



H. S. Sutaria

Hardik Sutaria
(Partner)
(Membership No.116642)
UDIN: 23116642BGWGEG7317

Place: Ahmedabad
Date: August 10, 2023

Annexure to Independent Auditor's Limited Review Report:

The Parent

1. GMM Pfaudler Limited

List of Subsidiaries

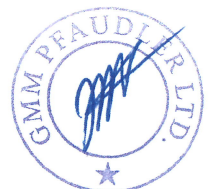
1. Mavag AG
2. GMM Pfaudler Foundation
3. GMM International S.a.r.l.
4. Pfaudler GmbH
5. Pfaudler Normag Systems GmbH
6. Pfaudler interseal GmbH
7. Pfaudler France S.a.r.l.
8. Pfaudler Service BeNeLux B.V.
9. Pfaudler S.r.l.
10. Pfaudler Limited
11. Pfaudler (Chang Zhou) Process Equipment Company Limited
12. Pfaudler S.A. de C.V.
13. Edlon Inc
14. GMM Pfaudler US Inc.
15. Glasteel Parts and services Inc.
16. Pfaudler Ltda.
17. Pfaudler Private Limited
18. Mixel France SAS (w.e.f. February 02, 2023)
19. Mixel Agitator Co. Limited (w.e.f. February 02, 2023)
20. Hydro Air Research Italia S.r.l (w.e.f. August 03, 2022)
21. GMM Pfaudler JDS LLC (w.e.f. November 28, 2022)



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

₹ In Crore (except per share data)

Sr. No.	Particulars	Consolidated			
		Quarter ended		Year ended	
		30.06.2023 Unaudited	31.03.2023	30.06.2022 Unaudited	31.03.2023 Audited
			(Refer Note 7)		
1	Income:				
	Revenue from operations	912.27	865.95	739.24	3,177.55
	Other income (Refer Note 5)	8.70	14.64	28.49	51.69
	Total Income	920.97	880.59	767.73	3,229.24
2	Expenses:				
	a) Cost of materials consumed	331.42	384.35	291.86	1,317.14
	b) Changes in inventories of finished goods and work-in-progress	42.00	(27.10)	8.44	(35.59)
	c) Employee benefits expense	224.13	220.31	185.57	791.55
	d) Depreciation & amortization expense	34.70	33.85	27.23	119.45
	e) Labour charges	27.74	29.16	21.40	97.96
	f) Finance cost	20.31	21.42	15.64	66.57
	g) Other expenses	154.86	163.03	134.16	575.34
	Total Expenses	835.16	825.02	684.30	2,932.42
3	Profit before exceptional items and tax (1-2)	85.81	55.57	83.43	296.82
4	Exceptional items (Refer Note 4)	-	0.01	-	21.58
5	Profit Before Tax (3 ± 4)	85.81	55.56	83.43	275.24
6	Tax Expense:				
	Current tax	36.37	18.05	22.14	82.24
	Excess provision for tax relating to prior period / year	-	-	-	(0.68)
	Deferred tax	(4.83)	1.04	(0.18)	(19.82)
7	Profit for the period / year from continuing operations (5-6)	54.27	36.47	61.47	213.50
8	Profit from discontinued operations	-	-	-	-
9	Tax expenses of discontinued operations	-	-	-	-
10	Profit from discontinued operations (after tax) (8-9)	-	-	-	-
11	Profit for the period / year (7+10)	54.27	36.47	61.47	213.50
	Attributable To:				
	Equity holders of the parent	54.93	38.47	44.51	166.63
	Non-Controlling interests	(0.66)	(2.00)	16.96	46.87
12	Other Comprehensive Income				
	A) Items that will not be reclassified to profit or loss				
	i) Actuarial gain on gratuity and pension obligations	5.63	19.36	47.29	130.00
	ii) Income tax relating to items that will not be reclassified to profit or loss	(1.27)	1.46	(14.46)	(30.27)
	B) Items that will be reclassified to profit or loss				
	i) Exchange difference in translating the financial statements of foreign components	1.32	8.53	(25.40)	7.78
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total Other Comprehensive Income	5.68	29.35	7.43	107.51
	Attributable To:				
	Equity Holders of the Parent	5.68	29.35	4.33	97.83
	Non-Controlling interests	-	-	3.10	9.68
13	Total Comprehensive Income for the period / year (11+12)	59.95	65.82	68.90	321.01
	(Comprising Profit and Other Comprehensive Income for the period / year)				
	Attributable To:				
	Equity Holders of the Parent	60.61	67.82	48.84	264.46
	Non-Controlling interests	(0.66)	(2.00)	20.06	56.55
14	Earnings per equity share (For continuing operations) (Refer Note 3)				
	(Face Value of share ₹ 2/- each) (not annualised):				
	a) Basic	12.22	8.56	10.15	37.52
	b) Diluted	12.22	8.56	10.15	37.51
15	Earnings per equity share (For discontinuing operations)				
	(Face Value of share ₹ 2/- each) (not annualised):				
	a) Basic	-	-	-	-
	b) Diluted	-	-	-	-
16	Earnings per equity share (For continuing operations & discontinuing operations) (Refer Note 3)				
	(Face Value of share ₹ 2/- each) (not annualised):				
	a) Basic	12.22	8.56	10.15	37.52
	b) Diluted	12.22	8.56	10.15	37.51
17	Paid-up Equity Share Capital (Face Value of ₹ 2/- each)	8.99	8.99	2.92	8.99
18	Other Equity				795.04





GMM PFAUDLER LIMITED

CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED JUNE 30, 2023

₹ In Crore

Particulars	Consolidated			
	Quarter ended			Year ended
	30.06.2023 Unaudited	31.03.2023	30.06.2022 Unaudited	31.03.2023 Audited
		(Refer Note 7)		
1) Segment Revenue:				
a) India	261.22	260.40	216.65	943.31
b) Overseas	651.05	605.55	522.59	2,234.24
Revenue from Operations	912.27	865.95	739.24	3,177.55
2) Segment Result:				
Profit before Tax and Interest				
a) India	37.67	49.40	31.44	163.49
b) Overseas	68.45	27.58	67.63	178.32
Total	106.12	76.98	99.07	341.81
Less : Finance Costs	20.31	21.42	15.64	66.57
Total Profit before Tax	85.81	55.56	83.43	275.24
3) Segment Assets:				
a) India	750.90	752.30	714.68	752.30
b) Overseas	2,531.62	2,602.24	2,103.17	2,602.24
Total	3,282.52	3,354.54	2,817.85	3,354.54
4) Segment Liabilities:				
a) India	589.91	595.78	435.24	595.78
b) Overseas	1,816.80	1,943.49	1,644.30	1,943.49
Total	2,406.71	2,539.27	2,079.54	2,539.27



Notes:

- 1) The above unaudited results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on August 10, 2023.
- 2) Number of Investors complaints at Parent: (i) opening at the quarter : 0 (ii) received during the quarter : 1 (iii) disposed off : 1 and (iv) pending at the quarter end: 0.
- 3) Pursuant to approval granted by the Shareholders of the Parent on June 26, 2022, through Postal Ballot for issue of Bonus Shares, the Allotment Committee of the Board of Directors at their meeting held on July 14, 2022 had approved allotment of 2,92,35,000 Equity Shares having face value of ₹ 2/- each as fully paid-up Bonus Equity Shares, in the ratio of 2:1 i.e. 2 (two) equity shares having face value of ₹ 2/- each for every 1 (one) equity share having face value of ₹ 2/- each held, to the eligible shareholders whose names appear in the Register of Members and the list of beneficial owners as on July 12, 2022, being the record date fixed for this purpose.

Accordingly, as per Ind AS 33 "Earnings Per Share", the calculation of basic and diluted earnings per share for the period ended June 30, 2022 have been adjusted and restated
- 4) The exceptional items during the year ended March 31, 2023, relates to: a) One time legal costs amounting to ₹ 7.98 crores incurred by the overseas subsidiaries to acquire and dispose various overseas subsidiaries and b) Provision for inventory amounting to ₹ 13.59 crores due to export license rejection for a customer specific order in one of the overseas subsidiary. The net revaluation effect of such exceptional items cost has been included during the quarter ended March 31, 2023.
- 5) During the financial year 2021-22, the Board of Directors of the Parent had decided to sell some of its properties in Mumbai and accordingly had reclassified these assets as "Assets held for sale" at their carrying value amounting to ₹ 5.08 crores as they met the criteria laid out under Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". During the quarter ended March 31, 2023, such non-current assets held for sale were disposed off and profit amounting to ₹18.90 crores was recognized in the statement of Profit and Loss under "Other Income".
- 6) The Parent has granted ESOPs to the eligible employees of the Group under "Employee Stock Option Plan 2021" on May 25, 2023 for which the necessary approvals as required under SEBI regulations were obtained. The ESOPs have an aggregate fair value of ₹ 0.65 Crore (basis registered valuer report) and have an average expected life of 3 to 3.5 years. Accordingly, the Group has recorded cost of ₹ 0.03 Crore during the quarter ended June 30, 2023.
- 7) The figures of quarter ended March 31, 2023 are the balancing figures between audited figures in respect of full financial year up to March 31, 2023 and unaudited published year to date figures up to December 31, 2022 being the date of end of third quarter of the respective financial year which was subjected to limited review.

**For and on behalf of Board of Directors
For GMM Pfaudler Limited**



**Tarak Patel
Managing Director**

**Place : Mumbai
Date : August 10, 2023**

