

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF GMM PFAUDLER LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2022 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2022" of **GMM PFAUDLER LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial statements of subsidiaries referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2022:

- (i) includes the results of the entities as given in Annexure 1 to this report:
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2022.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2022

With respect to the Consolidated Financial Results for the quarter ended March 31, 2022, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.



Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2022

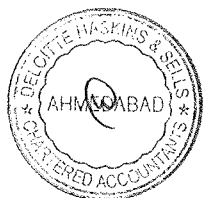
We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2022 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2022, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities 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 Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.



The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2022

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2022 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 this Consolidated 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 Annual 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 such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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 ability of the Group and its associates and joint ventures 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 Consolidated 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 Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such branches or entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the entities included in the Annual Consolidated Financial Results, which have been audited by the 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.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2022

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2022 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company'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 SAs specified under section 143(10) of the Act 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.

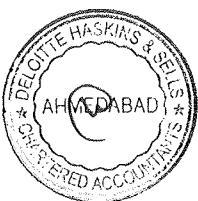


The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

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.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- We did not audit the financial statements of 16 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 2,280.22 crore as at March 31, 2022 and total revenues of Rs. 1,886.89 crore for the year ended March 31, 2022, total net loss after tax of Rs. 0.75 crore for the year ended March 31, 2022 and total comprehensive income of Rs. 95.62 crore for the year ended March 31, 2022 and net cash flows of Rs. 61.04 crore for the year ended March 31, 2022, as considered in the Statement. These financial statements have been audited, by other auditors whose reports have been furnished to us by the Management and our opinion 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 under Auditor’s Responsibilities section above.
- We did not review the financial information of 15 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 480.52 crore for the quarter ended March 31, 2022, total net profit after tax of Rs. 2.63 crore for the quarter ended March 31, 2022 and total comprehensive income of Rs. 62.51 crore for the quarter ended March 31, 2022, as considered in the Statement, whose interim financial information have not been reviewed by us. These interim financial information 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 under Auditor’s Responsibilities above.



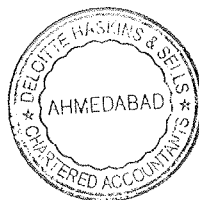
- All of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our report on the Statement 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.

- The consolidated financial results includes the unaudited financial statements of 1 subsidiary, whose financial statements reflect total assets of Rs. 0.01 crore as at March 31, 2022 and total revenues Nil for the quarter and year ended March 31, 2022, total net profit after tax Nil for the quarter and year ended March 31, 2022 and total comprehensive income Nil for the quarter and year ended March 31, 2022 and net cash flows (net) of Rs. 0.01 crore for the year ended March 31, 2022, as considered in the Statement. These financial statements are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Board of the Directors.

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



H.S. Sutaria..

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 22116642 AJOBEF2738

Place: Mumbai
Date: May 25, 2022

Annexure to Independent Auditor's Limited Review Report:

The Parent

1. GMM Pfaudler Limited

List of Subsidiaries

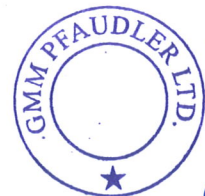
1. Mavag AG
2. GMM International S.a.r.l.
3. Pfaudler GmbH
4. Pfaudler Normag Systems GmbH
5. Pfaudler interseal GmbH
6. Pfaudler France S.a.r.l.
7. Pfaudler Service BeNeLux B.V.
8. Pfaudler S.r.l.
9. Pfaudler Limited
10. Pfaudler (Chang Zhou) Process Equipment Company Limited
11. Pfaudler S.A. de C.V.
12. Edlon Inc
13. GMM Pfaudler US Inc.
14. Glasteel Parts and services Inc.
15. Pfaudler Ltda.
16. Pfaudler Private Limited
17. GMM Pfaudler Foundation (w.e.f. March 08, 2022)



STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

₹ In Crore (except per share data)

Sr. No.	Particulars	Consolidated				
		Quarter ended			Year ended	
		31.03.2022	31.12.2021 Unaudited	31.03.2021	31.03.2022 Audited	31.03.2021 Audited
		(Refer Note 5 & 13)		(Refer Note 5 & 13)	(Refer Note 5)	(Refer Note 5)
1	Income:					
	Revenue from operations	699.37	642.28	458.62	2,540.57	1,001.12
	Other income	1.39	1.19	16.08	6.73	23.48
	Total Income	700.76	643.47	474.70	2,547.30	1,024.60
2	Expenses:					
	a) Cost of materials consumed	305.24	286.95	158.26	1,044.53	386.24
	b) Changes in inventories of finished goods and work-in-progress	(15.64)	(34.36)	42.69	(30.63)	61.33
	c) Employee benefits expense	187.35	178.20	125.65	713.40	207.47
	d) Depreciation & amortization expense	27.26	27.50	27.50	132.62	50.48
	e) Labour charges	20.96	20.61	16.16	72.71	46.98
	f) Finance cost	2.24	6.37	5.46	24.60	10.18
	g) Other expenses	129.63	108.53	85.97	456.69	160.34
	Total Expenses	657.04	593.80	461.69	2,413.92	923.02
3	Profit before exceptional items and tax (1-2)	43.72	49.67	13.01	133.38	101.58
4	Exceptional items	-	-	33.52	-	33.52
5	Profit / (Loss) Before Tax (3 ± 4)	43.72	49.67	(20.51)	133.38	68.06
6	Tax Expense:					
	Current tax	3.10	12.45	8.21	58.00	30.60
	Excess provision for tax relating to prior years / periods	-	-	(2.57)	(0.58)	(3.95)
	Deferred tax	23.35	(0.47)	(20.55)	0.60	(22.14)
7	Profit / (Loss) for the period from continuing operations (5-6)	17.27	37.69	(5.60)	75.36	63.55
8	Profit from discontinued operations	-	-	-	-	-
9	Tax expenses of discontinued operations	-	-	-	-	-
10	Profit from discontinued operations (after tax) (8-9)	-	-	-	-	-
11	Profit / (Loss) for the period (7+10)	17.27	37.69	(5.60)	75.36	63.55
	Attributable To:					
	Equity holders of the parent	16.04	31.82	4.23	85.05	73.44
	Non controlling interest	1.23	5.87	(9.83)	(9.69)	(9.89)
12	Other Comprehensive Income					
	A) Items that will not be reclassified to profit or loss					
	i) Actuarial gain / (loss) on gratuity and pension obligations	65.26	(0.41)	54.77	78.93	47.10
	ii) Income tax relating to items that will not be reclassified to profit or loss	(16.26)	(0.33)	(13.12)	(20.31)	(12.12)
	B) Items that will be reclassified to profit or loss					
	i) Exchange difference in translating the financial statements of foreign components	12.36	(3.05)	(19.16)	14.56	(13.08)
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income / (Loss)	61.36	(3.79)	22.49	73.18	21.90
	Attributable To:					
	Equity Holders of the Parent	33.80	(1.43)	11.81	42.63	11.21
	Non Controlling Interest	27.56	(2.36)	10.68	30.55	10.69
13	Total Comprehensive Income for the period (11+12) (Comprising Profit and Other Comprehensive Income for the period)	78.63	33.90	16.89	148.54	85.45
	Attributable To:					
	Equity Holders of the Parent	49.84	30.39	16.04	127.68	84.65
	Non Controlling Interest	28.79	3.51	0.85	20.86	0.80
14	Earnings per equity share (For continuing operations) (Face Value of share ₹ 2/- each) (not annualised):					
	a) Basic	10.97	21.77	2.89	58.18	50.24
	b) Diluted	10.97	21.77	2.89	58.17	50.24
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) (Face Value of share ₹ 2/- each) (not annualised):					
	a) Basic	10.97	21.77	2.89	58.18	50.24
	b) Diluted	10.97	21.77	2.89	58.17	50.24
17	Paid-up Equity Share Capital (Face Value of ₹ 2/- each)	2.92	2.92	2.92	2.92	2.92
18	Other Equity				524.19	403.32



Particulars	Consolidated				
	Quarter ended			Year ended	
	31.03.2022	31.12.2021 Unaudited	31.03.2021	31.03.2022 Audited	31.03.2021 Audited
	(Refer Note 5 & 13)		(Refer Note 5 & 13)	(Refer Note 5)	(Refer Note 5)
1) Segment Revenue:					
a) India	196.97	174.87	173.92	706.34	616.55
b) Overseas	502.40	467.41	284.70	1,834.23	384.57
Net Sales / Income from Operations	699.37	642.28	458.62	2,540.57	1,001.12
2) Segment Result:					
Profit / (Loss) before Tax and Interest					
a) India	25.36	25.15	25.67	121.61	112.38
b) Overseas	20.60	30.89	(40.72)	36.37	(34.14)
Total	45.96	56.04	(15.05)	157.98	78.24
Less : Finance Costs	2.24	6.37	5.46	24.60	10.18
Total Profit / (Loss) before Tax	43.72	49.67	(20.51)	133.38	68.06
3) Segment Assets:					
a) India	645.20	631.43	488.16	645.20	488.16
b) Overseas	2,082.37	2,010.45	1,929.42	2,082.37	1,929.42
Total	2,727.57	2,641.88	2,417.58	2,727.57	2,417.58
4) Segment Liabilities:					
a) India	373.96	373.46	294.11	373.96	294.11
b) Overseas	1,685.22	1,672.06	1,601.62	1,685.22	1,601.62
Total	2,059.18	2,045.52	1,895.73	2,059.18	1,895.73




	Particulars	As at 31.03.2022 Audited (Refer Note 5)	As at 31.03.2021 Audited (Refer Note 5)
	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant & Equipment	381.75	381.13
	(b) Right of Use Assets	165.35	138.51
	(c) Capital work-in-progress	12.59	4.32
	(d) Goodwill	66.18	71.85
	(e) Other Intangible Assets	388.48	451.73
	(f) Intangible assets under development	0.39	0.03
	(g) Financial Assets		
	(i) Investments	0.01	-
	(ii) Loans	1.82	-
	(iii) Others	4.78	3.20
	(h) Deferred Tax Assets (net)	10.18	36.84
	(i) Non-current Tax Assets (net)	0.42	-
	(j) Other non-current assets	6.97	7.44
	Total Non-current assets	1,038.92	1,095.05
(2)	Current Assets		
	(a) Inventories	669.53	576.44
	(b) Financial Assets		
	(i) Investments	0.08	0.67
	(ii) Trade Receivables	356.23	309.61
	(iii) Cash & Cash Equivalents	290.58	243.47
	(iv) Bank balances other than (iii) above	37.16	48.81
	(v) Loans	0.42	0.08
	(vi) Others	88.41	74.21
	(c) Other current assets	119.07	69.24
	Assets classified as held for sale	127.17	-
	Total Current assets	1,688.65	1,322.53
	Total Assets	2,727.57	2,417.58
	EQUITY & LIABILITIES		
(1)	Equity		
	(a) Equity Share Capital	2.92	2.92
	(b) Other Equity	524.19	403.32
	Equity attributable to the Parent	527.11	406.24
(2)	Non-Controlling Interest	141.28	115.61
	LIABILITIES		
(3)	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	449.62	442.76
	(ii) Lease Liabilities	109.37	121.56
	(b) Provisions	365.36	455.55
	(c) Deferred tax liabilities (net)	48.82	50.81
	(d) Other non-current liabilities	15.25	12.38
	Total Non-current liabilities	988.42	1,083.06
(4)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	55.31	48.91
	(ii) Lease Liabilities	21.50	19.39
	(iii) Trade payables due to		
	- Micro & Small Enterprise	2.70	4.41
	- Other than Micro & Small Enterprise	388.49	297.75
	(iv) Others	35.22	30.03
	(b) Other current liabilities	414.83	293.50
	(c) Provisions	125.74	101.03
	(d) Current Tax Liabilities (net)	4.95	17.65
	Liabilities directly associated with assets classified as held for sale	22.02	-
	Total Current Liabilities	1,070.76	812.67
	Total Equity & Liabilities	2,727.57	2,417.58



GMM PFAUDLER LIMITED

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

₹ In Crore

Particulars	Year Ended	
	31.03.2022	31.03.2021
	Audited (Refer Note 5)	Audited (Refer Note 5)
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit before taxation	133.38	68.06
<u>Adjustments for:</u>		
Depreciation and amortisation expense	132.62	50.48
Net gain on disposal of property, plant & equipment	(0.50)	(0.37)
Net loss on current investments designated as fair value through profit or loss	0.14	0.03
Net loss on sale of current investments	-	0.09
Interest income	(0.22)	(3.30)
Interest and financial charges	24.60	10.18
Share-based payment to employees	0.49	-
Provision for doubtful debts, liquidated damages and advances	0.51	12.03
Provision for warranty	0.19	1.99
Unrealised foreign exchange fluctuation loss / (gain)	21.67	(7.38)
Actuarial gain on gratuity and pension obligations reclassified in OCI	78.93	45.30
Operating profit before working capital changes	391.81	177.11
<u>Adjustments for:</u>		
(Increase) / Decrease in inventories	(122.07)	61.40
(Increase) in trade receivable, loans and other financial & non financial assets	(131.60)	(56.36)
Increase / (Decrease) in trade payables, provisions and other financial & non financial liabilities	170.11	(3.92)
Cash generated from operations	308.25	178.23
Direct taxes paid	(71.86)	(21.51)
Net cash from operating activities	236.39	156.72
	A	
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of property, plant and equipment, including intangible assets	(131.66)	(79.10)
Payment towards acquisition of business	-	(23.77)
Purchase of non-current investments	(0.01)	-
Proceeds from sale of property, plant and equipment	2.89	1.56
Proceeds from sale of current investments	0.45	35.34
Fixed deposits placed with banks	-	(3.29)
Proceeds from fixed deposits	11.55	-
Interest received	0.22	3.30
Net cash used in investing activities	(116.56)	(65.96)
	B	
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from short term borrowings	69.55	24.47
Repayment of short term borrowings	(84.39)	(21.23)
Proceeds from long term borrowings	61.40	128.63
Repayment of long term borrowings	(51.18)	(1.12)
Interest paid	(18.79)	(8.12)
Dividend paid	(7.20)	(7.30)
Payment of lease liability	(24.71)	(10.40)
Net cash from / (used in) financing activities	(55.32)	104.93
	C	
NET INCREASE IN CASH & CASH EQUIVALENTS	64.51	195.69
	A+B+C	
Cash and cash equivalents at the beginning of the year	243.47	47.78
Cash and bank balances included in assets held for sale	(17.40)	-
Cash and cash equivalents at the end of the year	290.58	243.47



Notes:

- 1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on May 25, 2022.
- 2) The Board of Directors, in their meeting held on May 25, 2022 have recommended a final dividend of ₹ 3 per equity share of face value of ₹ 2 each pre bonus (which translates to ₹ 1 per equity share of face value of ₹ 2 each post bonus), subject to approval by shareholders of the Parent.
- 3) Number of Investors complaints (i) opening at the quarter : 0 (ii) received during the quarter : 1 (iii) disposed off : 1 and (iv) pending at the quarter end: 0
- 4) The Parent had successfully bid in E-auction sale of certain specified tangible assets of HDO Technologies Limited under IBC, 2016 on March 16, 2021 with bid value of ₹ 58.46 Crore. The Parent has concluded the acquisition on April 23, 2021.
- 5A) During the previous year, on February 01, 2021 the Parent along with its wholly owned subsidiary Mavag AG had acquired majority stake (54%) in Pfaudler overseas business through an SPV - GMM International S.a.r.l. on a going concern basis in terms of definite agreement dated August 20, 2020 at a consideration of ₹ 201.56 Crore. The results and Segment disclosures for the quarter and year ended March 31, 2022 are not comparable with those of the corresponding periods included in the aforesaid statement due to said acquisition. Accordingly, Cash Flow figures for the year ended March 31, 2022 are not comparable with the figures for the comparative year ended March 31, 2021.
- 5B) The purchase price was allocated to assets acquired and liabilities assumed based on the provisional fair values as at the date of acquisition in accordance with Ind AS 103 - Business Combinations. During the current year, the Group has completed the Purchase Price Allocation and realigned the values of assets and liabilities acquired on acquisition in accordance with the final fair values as summarised below:


Particulars	₹ in Crore	
	Final Fair value	Provisional Fair Value
Property, Plant & Equipment	252.33	252.33
Intangible assets acquired	440.53	441.83
Other intangibles	3.66	3.66
Other non current asset	136.97	135.34
Non current liability	(987.17)	(988.72)
Net working capital	401.22	420.28
Net Assets and Liabilities acquired	247.54	264.72
Less: Purchase consideration	201.56	201.56
Less: Non-controlling interests (46%)	113.87	121.77
Add: Forex difference	0.72	0.72
Goodwill	67.17	57.89

- 6) An inventory step-up of ₹ 91.77 Crore was recorded on February 1, 2021 and out of which ₹ 45.53 Crore was charged to cost of material consumed during the year ended March 31, 2021 and remaining ₹ 46.24 Crore was charged to cost of material consumed during the year ended March 31, 2022 which is based on sales of such stepped-up inventory. Period for sale of such stepped-up inventory was estimated to be approximately 4 months.
- 7) The above results for the year ended March 31, 2022 includes amortisation of intangibles acquired as part of Pfaudler business acquisition amounting to ₹ 51.29 Crore.
- 8) The Parent has granted 41,700 ESOPs to the eligible employees of the Group under "Employee Stock Option Plan 2021" on February 01, 2022 after taking necessary approvals as required under SEBI regulations. The ESOPs have an aggregate fair value of ₹ 7.85 Crore (basis registered valuer report) and have an average expected life of 3 to 3.5 years. Accordingly, the Group has recorded cost of ₹ 0.49 Crore during the quarter and year ended March 31, 2022.
- 9) During the year, the Group has decided to sell its subsidiary - Edlon Inc. The sale is consistent with the Group's long-term policy to focus its activities on the Group's core businesses. The subsidiary which belongs to overseas segment and is expected to be sold within 12 months has been classified as "Assets held for sale" and presented separately in the balance sheet at its carrying value as it meets the criteria laid out under Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. The proceeds of sale are expected to exceed the carrying amount of the related net assets and accordingly no impairment loss has been recognised on the reclassification of this subsidiary as held for sale.
- 10) During the year, the Parent has decided to sell some of its properties at Mumbai. Accordingly, these assets belonging to India segment are reclassified as "Assets held for sale" at their carrying value as it meets the criteria laid out under Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. The proceeds of sale are expected to exceed the carrying amount of the related assets and accordingly no impairment loss has been recognised on the reclassification of the said assets.
- 11) The Board of Directors of Parent has approved issuance of Bonus Shares in the ratio of 2 Equity Share of ₹ 2 each for every 1 Equity Share of ₹ 2 each held by the shareholders of the Parent on the record date, subject to shareholders and regulatory approvals.
- 12) The Group has decided to present the results in Crore. Accordingly, the previous periods presented have been converted from Million to Crore.
- 13) The Consolidated figures of last quarters are the balancing figures between audited figures in respect of full financial year up to March 31, 2022 and March 31, 2021 and unaudited published year to date figures up to December 31, 2021 and December 31, 2020 respectively, being the date of end of third quarter of the respective financial year which were subjected to limited review.



Place : Mumbai
Date : March 25, 2022

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



Tarak Patel
Managing Director