

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
GMM Pfaunder Limited**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **GMM Pfaunder Limited** ("the Company"), for the quarter and six months ended September 30, 2020 ("the Statement"), being submitted by the Company 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 Company's Management and approved by the Company'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 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 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.
4. Based on our review conducted as stated in paragraph 3 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 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.

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



Kartikeya Raval

Kartikeya Raval
Partner

(Membership No. 106189)

UDIN: 20106189 AAAAKE94C9

Place: Ahmedabad
Date: October 21, 2020

GMM PFAUDLER LIMITED

Registered Office & Works: Vithal Udyognagar, Karamsad 388 325, Gujarat, India
CIN : L29199GJ1962PLC0001171, Email ID : sales@gmmpfaudler.com, Web Site : www.gmmpfaudler.com

STANDALONE STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020							₹ in Million
	Particulars	Standalone					
		Quarter ended			Half Year ended		Year ended
		30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
1	Income:						
	Revenue from Operations	1,541.44	1,308.97	1,360.98	2,850.41	2,663.50	5,163.55
	Other Income	22.34	21.88	7.23	44.22	19.18	61.17
	Total Income	1,563.78	1,330.85	1,368.21	2,894.63	2,682.68	5,224.72
2	Expenses :						
	a) Cost of materials consumed	610.80	380.74	537.54	1,009.54	1,229.30	2,386.38
	b) Changes in inventories of finished goods and work-in-progress	17.95	261.91	77.03	279.86	(17.76)	(56.89)
	c) Employee benefits expense	191.93	151.43	141.53	343.36	272.71	551.06
	d) Depreciation & amortization expense	57.27	55.14	48.72	112.41	89.42	200.14
	e) Labour Charges	92.32	74.74	89.16	167.06	181.16	337.18
	f) Finance cost	17.71	11.68	10.56	29.39	16.54	34.88
	g) Other Expenses	252.10	188.26	248.77	440.36	491.80	951.61
	Total Expenses	1,249.08	1,132.90	1,153.31	2,381.98	2,263.16	4,404.36
3	Profit before exceptional items and tax (1-2)	314.70	197.95	214.90	512.65	419.52	820.36
4	Exceptional items	-	-	-	-	-	-
5	Profit Before Tax (3 ± 4)	314.70	197.95	214.90	512.65	419.52	820.36
6	Tax Expense:						
	Current Tax	79.23	52.59	45.40	131.82	100.96	202.23
	Excess Provision for Tax relating to Prior Years	(13.87)	-	-	(13.87)	-	-
	Deferred Tax	(1.30)	(18.14)	(10.73)	(19.44)	(8.27)	(3.10)
7	Profit for the period from continuing operation (5-6)	250.64	163.50	180.23	414.14	326.83	621.23
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 (7+10)	250.64	163.50	180.23	414.14	326.83	621.23
12	Other Comprehensive Income						
	A) Items that will not be reclassified to profit or loss						
	i) Actuarial Gain / (Loss) on Gratuity and Pension obligations	(1.72)	(1.73)	-	(3.45)	-	(6.90)
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	B) Items that will be reclassified to profit or loss						
	i) Exchange difference in translating the financial statements of foreign components	-	-	-	-	-	-
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
13	Total Comprehensive Income for the period (11+12) (Comprising Profit and Other Comprehensive Income for the period)	248.92	161.77	180.23	410.69	326.83	614.33
14	Earnings per equity share (For continuing operations) (Face Value of share ₹ 2/- each) (not annualised):						
	a) Basic & Diluted	17.15	11.19	12.33	28.33	22.36	42.50
15	Earnings per equity share (For discontinued operations) (Face Value of share ₹ 2/-) (not annualised):						
	a) Basic & Diluted	-	-	-	-	-	-
16	Earnings per equity share (For discontinued operations & continuing operations) (Face Value of share ₹ 2/-) (not annualised):						
	a) Basic & Diluted	17.15	11.19	12.33	28.33	22.36	42.50
17	Paid-up Equity Share Capital (Face Value of ₹ 2/- each)	29.23	29.23	29.23	29.23	29.23	29.23
18	Other Equity						2,681.57

Notes:

- The above unaudited results have been reviewed by the audit Committee and approved by the Board of Directors in their meeting held on October 21, 2020.
- The Board of Directors have announced a second interim dividend Rs.1.00 per share for the current financial year 2020-21. The record date for the payment of the said dividend has been fixed on October 29, 2020.
- Number of Investors complaints (i) opening at the quarter : 0 (ii) received during the quarter : 3 (iii) disposed off : 2 and (iv) pending at the quarter end: 1
- GMM Pfaudler Ltd ("GMM" or "the Company") had announced signing of definitive agreements to acquire De Dietrich Process Systems India Pvt. Ltd's (DDPSI) Glass Lined Equipment manufacturing facility in Hyderabad on the June 30, 2020. The Company has concluded the acquisition on October 05, 2020 and have started commercial operations from October 19, 2020.
- GMM Pfaudler Limited ("GMM" or "the Company") announced on August 20, 2020 signing of definitive agreements to acquire a majority stake in the global business of its parent, the Pfaudler Group ("Pfaudler") from the private equity firm Deutsche Beteiligungs AG Fund VI ("DBAG"). As per the agreements, GMM (directly and through its subsidiary Mavag AG) will acquire a 54% equity stake in the Pfaudler Group subject to fulfilment of conditions precedent.

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

Place : Mumbai
Date : October 21, 2020



Tarak Patel
Tarak Patel
Managing Director

SEGMENTWISE REVENUE, RESULTS, SEGMENT ASSETS AND LIABILITIES FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020						
₹ in Million						
Particulars	Standalone					
	Quarter ended			Half year ended		Year ended
	30.09.2020 Unaudited	30.06.2020 Unaudited	30.09.2019 Unaudited	30.09.2020 Unaudited	30.09.2019 Unaudited	31.03.2020 Audited
1) Segment Revenue						
a) Glass line equipments	936.34	772.05	839.77	1,708.39	1,802.92	3,547.41
b) Heavy Engineering	151.27	417.21	202.41	568.48	265.11	502.16
c) Proprietary Products	453.83	119.71	318.80	573.54	595.47	1,113.98
Net sales / Income from Operation	1,541.44	1,308.97	1,360.98	2,850.41	2,663.50	5,163.55
2) Segment Result:						
Profit before Tax and Interest						
a) Glass line equipments	266.32	147.24	188.56	413.56	375.94	795.82
b) Heavy Engineering	5.13	89.05	24.36	94.18	26.10	51.76
c) Proprietary Products	79.37	1.05	56.85	80.42	96.71	145.03
Total	350.82	237.34	269.77	588.16	498.75	992.61
Less : Finance Costs	17.71	11.68	10.56	29.39	16.54	34.88
Less: Other Unallocable Expense net of Unallocable Income	18.41	27.71	44.31	46.12	62.69	137.37
Total Profit before Tax	314.70	197.95	214.90	512.65	419.52	820.36
3) Segment Assets:						
a) Glass line equipments	1,788.05	1,653.64	1,650.78	1,788.05	1,650.78	1,587.96
b) Heavy Engineering	734.44	801.68	408.94	734.44	408.94	831.60
c) Proprietary Products	773.73	575.34	955.01	773.73	955.01	795.53
Unallocable Assets	1,848.03	1,533.00	995.24	1,848.03	995.24	1,094.53
Total	5,144.25	4,563.66	4,009.97	5,144.25	4,009.97	4,309.62
4) Segment Liabilities:						
a) Glass line equipments	870.30	788.37	875.54	870.30	875.54	800.40
b) Heavy Engineering	218.50	287.60	108.45	218.50	108.45	150.18
c) Proprietary Products	394.42	266.15	414.12	394.42	414.12	415.17
Unallocable Liabilities	583.41	349.01	152.81	583.41	152.81	233.07
Total	2,066.63	1,691.13	1,550.92	2,066.63	1,550.92	1,598.82



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GMM PFAUDLER LIMITED
STANDALONE UNAUDITED STATEMENT OF ASSETS & LIABILITIES

₹ in Million

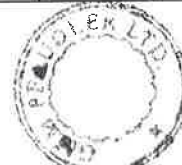
	Particulars	As at 30.09.2020	As at 31.03.2020
		Unaudited	Audited
	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant & Equipment	790.36	811.83
	(b) Right of Use Assets	189.93	220.04
	(c) Capital work-in-progress	177.36	15.99
	(d) Goodwill	59.32	59.32
	(e) Other Intangible Assets	179.49	181.23
	(f) Intangible assets under development	0.60	0.44
	(g) Financial Assets		
	(i) Investments	218.49	218.60
	(ii) Others	28.55	27.78
	(h) Non-current Tax Assets (Net)	-	5.77
	(i) Other non-current assets	7.66	6.57
	Total Non current assets	1,651.76	1,547.57
(2)	Current Assets		
	(a) Inventories	807.07	1,109.75
	(b) Financial Assets		
	(i) Investments	2.23	356.63
	(ii) Trade Receivables	750.23	594.68
	(iii) Cash & Cash Equivalents	570.55	286.77
	(iv) Bank balances other than (iii) above	218.38	2.75
	(v) Loans	0.60	0.97
	(vi) Others	499.99	290.40
	(c) Other current assets	643.44	120.10
	Total Current assets	3,492.49	2,762.05
	Total Assets	5,144.25	4,309.62
	EQUITY & LIABILITIES		
	Equity		
	(a) Equity Share Capital	29.23	29.23
	(b) Other Equity	3,048.39	2,681.57
	Total Equity	3,077.62	2,710.80
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial Liabilities		
	(ii) Borrowing	405.88	-
	(ii) Lease Liabilities	148.06	176.59
	(b) Deferred tax liabilities (Net)	30.39	49.82
	Total Non current liabilities	584.33	226.41
(2)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowing	-	112.26
	(ii) Lease Liabilities	58.38	55.40
	(iii) Trade payables due to		
	- Micro & Small Enterprise	15.43	20.95
	- Other than Micro & Small Enterprise	696.38	556.86
	(v) Others	195.35	87.63
	(b) Provisions	40.63	40.80
	Current Tax Liabilities (Net)	50.56	-
	(c) Other current liabilities	425.57	498.51
	Total Current Liabilities	1,482.30	1,372.41
	Total Equity & Liabilities	5,144.25	4,309.62



GMM PFAUDLER LIMITED
STANDALONE UNAUDITED STATEMENT OF CASH FLOW FOR HALF YEAR ENDED SEPTEMBER 30, 2020

₹ in Million

	Half Year Ended	
	30.09.2020 Unaudited	30.09.2019 Unaudited
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit before taxation	512.65	419.52
Adjustments for:		
Depreciation	112.41	89.42
Net (gain) / loss on sale & discarding of fixed assets	-	(0.11)
Net (gain) / loss on sale of Current Investments	-	(1.70)
Net (gain) / loss on Current Investments designated as Fair Value Through Profit or Loss	1.04	(6.02)
Net (gain) / loss on Non Current Investments designated as Fair Value Through Profit or Loss	0.10	0.14
Interest Income	(25.58)	(0.72)
Interest and financial charges	29.39	16.54
Dividend Income	-	(0.03)
Provision for Warranty	1.55	
Provision for doubtful debts, liquidated damages and advances	35.69	22.36
Unrealised foreign exchange fluctuation loss/(gain)	(2.93)	2.48
Actuarial Gain /(loss) on Gratuity reclassified in OCI	(3.45)	-
Operating profit before working capital changes	660.87	541.88
Adjustments for :		
(Increase)/ Decrease in Inventories	302.68	4.86
(Increase)/ Decrease in Trade receivable, loans and other financial & Non financial assets	(380.69)	(141.74)
Increase/ (Decrease) in Trade payables, provisions and other financial & Non financial liabilities	112.83	(14.78)
Cash generated from operations	695.69	390.22
Direct Taxes paid	(61.62)	(90.57)
Net cash from operating activities	A 634.07	299.65
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Property, Plant and Equipment, including intangible assets	(218.93)	(206.11)
Proceeds from sale of Property, Plant and Equipment	-	0.23
Proceeds from sale of current investments	353.35	53.47
Proceeds from sale of non-current investments	-	1.27
Interest received	25.58	0.72
Dividend received	-	0.03
Fixed Deposit placed with bank	(215.00)	-
Payment towards acquisition of business	(545.37)	(272.27)
Net cash used in investing activities	B (600.37)	(422.66)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from Long term borrowings	460.00	-
Proceeds from Short term borrowings	100.00	-
Repayment of short term borrowings	(212.25)	-
Interest paid	(15.98)	(7.27)
Dividend paid	(43.62)	(36.77)
Tax on distributed profits	-	(7.51)
Payment of lease liability	(38.07)	(27.98)
Net cash used in financing activities	C 250.08	(79.53)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	A+B+C 283.78	(202.54)
Cash and Cash equivalents at the beginning of the period	286.77	284.81
Cash and Cash equivalents at the end of the period	570.55	82.27



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