

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE 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 Standalone Financial Results for the year ended March 31, 2023 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2023" of **GMM Pfaudler LIMITED** ("the Company"), ("the Statement"), being submitted by the Company 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 Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2023:

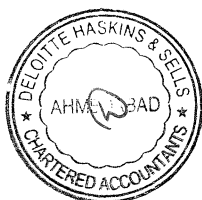
- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2023

With respect to the Standalone Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2023, 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 Standalone Financial Results for the year ended March 31, 2023

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 Company 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 Standalone Financial Results for the year ended March 31, 2023 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 is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2023 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, 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 are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2023 as a whole is 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 Standalone 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 Standalone 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 the Company's internal control.
- 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 Company 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 Statement 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone 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 Standalone Financial Results.



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.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2023 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.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2023 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 on the Statement is not modified in respect of this matter.

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



H. S. Subaria ..

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 23116642BGWGAP3607

Place: Mumbai
Date: May 25, 2023

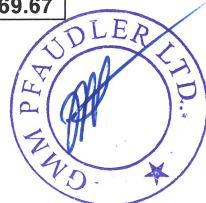
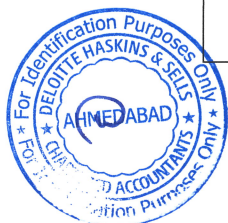
STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

₹ In Crore (except per share data)

Sr. No.	Particulars	Standalone				
		Quarter ended			Year ended	
		31.03.2023	31.12.2022 Unaudited	31.03.2022	31.03.2023 Audited	31.03.2022 Audited
		(Refer Note 7)		(Refer Note 7)		
1	Income:					
	Revenue from operations	293.06	276.59	228.54	1,074.79	814.82
	Other income (Refer Note 8)	18.89	2.72	1.19	23.33	3.76
	Total Income	311.95	279.31	229.73	1,098.12	818.58
2	Expenses:					
	a) Cost of materials consumed	135.93	132.01	132.72	537.13	402.12
	b) Changes in inventories of finished goods and work-in-progress	11.25	7.45	(24.19)	(8.83)	(41.11)
	c) Employee benefits expense	24.59	24.04	23.20	96.42	86.55
	d) Depreciation & amortization expense	9.68	9.18	8.55	36.38	33.57
	e) Labour charges	23.16	19.02	17.70	78.54	58.86
	f) Finance cost	8.14	8.76	4.13	27.12	15.00
	g) Other expenses	53.48	50.42	39.91	200.29	136.57
	Total Expenses	266.23	250.88	202.02	967.05	691.56
3	Profit before exceptional items and tax (1-2)	45.72	28.43	27.71	131.07	127.02
4	Exceptional items	-	-	-	-	-
5	Profit Before Tax (3 ± 4)	45.72	28.43	27.71	131.07	127.02
6	Tax Expense:					
	Current tax	8.76	7.70	7.41	31.47	32.65
	Excess provision for tax relating to prior years / periods	-	(0.68)	-	(0.68)	(0.58)
	Deferred tax	2.68	(1.04)	(0.05)	1.34	(0.01)
7	Profit for the period from continuing operation (5-6)	34.28	22.45	20.35	98.94	94.96
8	Profit from discontinued operations	-	-	-	-	-
9	Tax expenses of discontinued operations	-	-	-	-	-
10	Profit from discontinued operations (after tax) (8-9)	-	-	-	-	-
11	Profit for the year / period (7+10)	34.28	22.45	20.35	98.94	94.96
12	Other Comprehensive Income					
	A) Items that will not be reclassified to profit or loss					
	i) Actuarial profit / (loss) on gratuity obligations	0.75	(0.22)	0.73	0.09	(0.87)
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
13	Total Comprehensive Income for the year / period (11+12) (Comprising Profit and Other Comprehensive Income for the year / period)	35.03	22.23	21.08	99.03	94.09
14	Earnings per equity share (For continuing operations) (Refer Note 5) (Face Value of share ₹ 2/- each) (not annualised):					
	a) Basic	7.63	4.99	4.64	22.28	21.65
	b) Diluted	7.62	4.99	4.64	22.27	21.65
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 5) (Face Value of share ₹ 2/- each) (not annualised):					
	a) Basic	7.63	4.99	4.64	22.28	21.65
	b) Diluted	7.62	4.99	4.64	22.27	21.65
17	Paid-up Equity Share Capital (Face Value of ₹ 2/- each)	8.99	8.99	2.92	8.99	2.92
18	Other Equity				698.99	441.70



Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
		Audited	Audited
	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant & Equipment	170.03	152.33
	(b) Right of Use Assets	44.02	50.31
	(c) Capital work-in-progress	6.54	10.42
	(d) Goodwill	5.93	5.93
	(e) Other Intangible Assets	12.17	18.66
	(f) Financial Assets		
	(i) Investments	519.05	171.26
	(ii) Others	10.24	4.44
	(g) Non-current Tax Assets (net)	-	0.42
	(h) Other non-current assets	1.41	1.19
	Total Non current assets	769.39	414.96
(2)	Current Assets		
	(a) Inventories	199.14	230.60
	(b) Financial Assets		
	(i) Investments	-	0.08
	(ii) Trade Receivables	197.43	121.01
	(iii) Cash & Cash Equivalents	36.25	14.74
	(iv) Bank balances other than (iii) above	1.92	0.60
	(v) Loans	0.44	0.12
	(vi) Others	103.67	52.42
	(c) Other current assets	14.69	30.06
	Assets classified as held for sale	-	5.08
	Total Current assets	553.54	454.71
	Total Assets	1,322.93	869.67
	EQUITY & LIABILITIES		
(1)	Equity		
	(a) Equity Share Capital	8.99	2.92
	(b) Other Equity	698.99	441.70
	Total Equity	707.98	444.62
(2)	LIABILITIES		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	216.40	100.62
	(ii) Lease Liabilities	0.53	5.23
	(b) Deferred tax liabilities (net)	5.85	4.51
	Total Non-current liabilities	222.78	110.36
(3)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	114.74	27.25
	(ii) Lease Liabilities	4.97	6.74
	(iii) Trade payables due to		
	- Micro & Small Enterprises	0.67	2.70
	- Other than Micro & Small Enterprises	153.19	156.13
	(iv) Others	20.15	18.41
	(b) Other current liabilities	91.13	96.30
	(c) Provisions	7.06	7.16
	(d) Current tax liabilities (net)	0.26	-
	Total Current Liabilities	392.17	314.69
	Total Equity & Liabilities	1,322.93	869.67





GMM PFAUDLER LIMITED
STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

₹ In Crore

Particulars		Year Ended	
		31.03.2023	31.03.2022
		Audited	Audited
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		131.07	127.02
<u>Adjustments for:</u>			
Depreciation and amortisation expenses		36.38	33.57
Net (gain) / loss on disposal of property, plant & equipment including asset held for sale		(18.98)	0.02
Net loss on current investments designated as fair value through profit or loss		0.07	0.14
Net gain on sale of current investments		(0.08)	-
Share based payment to employees		0.99	0.17
Interest income		(0.05)	(0.22)
Interest and financial charges		27.12	15.00
Provision for doubtful debts, liquidated damages and advances		1.73	1.26
Provision for warranty		1.07	(0.30)
Unrealised foreign exchange fluctuation loss		2.17	1.23
Operating profit before working capital changes		181.49	177.89
<u>Adjustments for :</u>			
(Increase)/ Decrease in Inventories		31.46	(117.95)
(Increase) in Trade receivable, loans and other financial & Non financial assets		(114.42)	(44.42)
Increase/ (Decrease) in Trade payables, provisions and other financial & Non financial liabilities		(9.95)	104.02
Cash generated from operations		88.58	119.54
Direct taxes paid		(30.11)	(37.50)
Net cash generated from operating activities	A	58.47	82.04
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment, including intangible assets		(38.05)	(93.24)
Proceeds from sale of Property, Plant and Equipment including asset held for sale		24.57	0.59
Proceeds from sale of current investments		0.09	0.45
Fixed deposits placed with banks (net)		(4.75)	-
Proceeds from fixed deposits (net)		-	2.59
Interest received		0.05	0.22
Purchase of balance share in subsidiary (including transaction costs) (Refer Note 4)		(177.39)	(0.02)
Net cash used in investing activities	B	(195.48)	(89.41)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings		330.55	69.55
Repayment of short term borrowings		(276.00)	(84.39)
Proceeds from long term borrowings		173.38	61.40
Repayment of long term borrowings		(27.52)	(25.32)
Interest paid		(25.10)	(13.55)
Dividend paid		(8.95)	(7.16)
Payment of lease liabilities		(7.84)	(7.10)
Net cash generated from / (used in) financing activities	C	158.52	(6.57)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	A+B+C	21.51	(13.94)
Cash and cash equivalents at the beginning of the year		14.74	28.68
Cash and cash equivalents at the end of the year		36.25	14.74



Notes:

- 1) The above audited results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on May 25, 2023.
- 2) Number of Investors complaints (i) opening at the quarter : 0 (ii) received during the quarter : 0 (iii) disposed off : 0 and (iv) pending at the quarter end: 0
- 3) The Board of Directors, in their meeting held on May 25, 2023 have recommended a final dividend of ₹ 1 per share, subject to approval by shareholders of the Company.
- 4) The Shareholders of GMM PfauDler Limited (" the Company ") in an extra ordinary general meeting held on September 01, 2022, granted approval for acquisition of balance 46% of the paid-up share capital of its existing overseas subsidiary, GMM International S.à.r.l from PfauDler International S.à.r.l (part of the promoter group) and Millars Concrete Technologies Private Limited (part of the promoter group), for an aggregate consideration of ₹ 343.78 Crore. The acquisition was completed on September 29, 2022 after obtaining all the relevant approvals and settling the consideration as below. Consequent to this, GMM International S.à.r.l has become a wholly owned subsidiary of the Company.

a) The Company paid cash consideration of ₹ 149.47 Crore to PfauDler International S.à.r.l, for the transfer of 1,09,51,360 ordinary shares of GMM International S.à.r.l to the Company,

b) The Company paid cash consideration of ₹ 23.91 Crore to Millars Concrete Technologies Private Limited, for the transfer of 17,51,922 ordinary shares of GMM International S.à.r.l to the Company,

c) The Company issued and allotted 11,04,724 equity shares of the Company having face value of ₹ 2 each, at a price of ₹ 1,542.43 per equity share on a preferential basis to Millars Concrete Technologies Private Limited for the transfer of 1,24,84,846 ordinary shares of GMM International S.à.r.l to the Company.

The said transaction has been accounted as an equity transaction (i.e., transaction with owners in their capacity as owners) as provided in Ind AS 110 - Consolidated Financial Statements.

- 5) Pursuant to approval granted by the Shareholders of the Company 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 have 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 the Ind AS 33 - Earnings per share, the calculation of basic and diluted earnings per share for all periods presented have been adjusted and restated. Also, 'Equity Share Capital' has increased by ₹ 5.85 crores and Securities Premium forming part of 'Other Equity' has been reduced by ₹ 5.85 crores for the year ended March 31, 2023.

- 6) As per Ind AS-108 "Operating Segments" issued by the Institute of Chartered Accountants of India, if financial results contains standalone financial results and consolidated financial results, no separate disclosure on segment information is required to be given in the standalone financial results. Accordingly, segment information has been given in the Consolidated Financial Results of the Company.
- 7) The figures of last quarters are the balancing figures between audited figures in respect of full financial year up to March 31, 2023 and March 31, 2022 and unaudited published year to date figures up to December 31, 2022 and December 31, 2021 respectively, being the date of end of third quarter of the respective financial year which were subjected to limited review.
- 8) During the year ended March 31, 2022, the Company 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 the Company has sold these properties and appropriately recognised profit amounting to ₹ 18.90 crores in the statement of Profit and Loss under "Other Income".

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




Place : Mumbai
Date : May 25, 2023

Tarak Patel
Managing Director

