

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

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

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **GMM Pfaudler Limited** ("the Company"), for the quarter and six months ended September 30, 2023 ("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)



H. S. Sutaria

Hardik Sutaria
Partner

(Membership No. 116642)

UDIN: 23116642B4WGHD2107

Place: Mumbai
Date: November 09, 2023

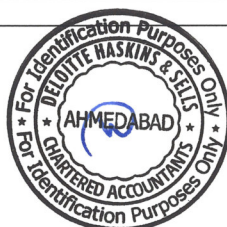
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

₹ In Crore (except per share data)

Sr. No.	Particulars	Standalone					
		Quarter ended			Half Year ended		Year ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income:						
	a) Revenue from operations	266.31	280.15	256.13	546.46	505.14	1,074.79
	b) Other income (Refer Note 4)	0.13	0.43	1.02	0.56	1.72	23.33
	Total Income	266.44	280.58	257.15	547.02	506.86	1,098.12
2	Expenses:						
	a) Cost of materials consumed	120.67	138.39	125.43	259.06	269.19	537.13
	b) Changes in inventories of finished goods and work-in-progress	14.45	7.71	(7.99)	22.16	(27.53)	(8.83)
	c) Employee benefits expense	25.86	27.31	24.21	53.17	47.79	96.42
	d) Depreciation & amortization expense	9.77	9.67	8.88	19.44	17.52	36.38
	e) Labour charges	19.56	19.46	19.29	39.02	36.36	78.54
	f) Finance cost	8.50	8.03	5.50	16.53	10.22	27.12
	g) Other expenses	47.17	47.08	52.91	94.25	96.39	200.29
	Total Expenses	245.98	257.65	228.23	503.63	449.94	967.05
3	Profit before exceptional items and tax (1-2)	20.46	22.93	28.92	43.39	56.92	131.07
4	Exceptional items	-	-	-	-	-	-
5	Profit Before Tax (3 ± 4)	20.46	22.93	28.92	43.39	56.92	131.07
6	Tax Expense:						
	Current tax	4.87	6.05	7.63	10.92	15.01	31.47
	Excess provision for tax relating to prior period / year	-	-	-	-	-	(0.68)
	Deferred tax	(0.19)	0.02	(0.06)	(0.17)	(0.30)	1.34
7	Profit for the period / year (5-6)	15.78	16.86	21.35	32.64	42.21	98.94
8	Other Comprehensive Income:						
	Items that will not be reclassified to profit or loss						
	i) Actuarial gain / (loss) on gratuity obligations	0.02	0.02	(0.22)	0.04	(0.44)	0.09
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
9	Total Comprehensive Income for the period / year (7+8) (Comprising Profit and Other Comprehensive Income for the period / year)	15.80	16.88	21.13	32.68	41.77	99.03
10	Earnings per equity share: (Face Value of share ₹ 2/- each) (not annualised for the quarter and half year):						
	a) Basic	3.51	3.75	4.87	7.26	9.62	22.28
	b) Diluted	3.51	3.75	4.86	7.26	9.62	22.27
11	Paid-up Equity Share Capital (Face Value of ₹ 2/- each)	8.99	8.99	8.99	8.99	8.99	8.99
12	Other Equity						698.99



Sr. No.	Particulars	As at 30.09.2023 Unaudited	As at 31.03.2023 Audited
	ASSETS		
1	Non-current assets		
	(a) Property, Plant & Equipment	162.82	170.03
	(b) Right of Use Assets	41.48	44.02
	(c) Capital work-in-progress	8.16	6.54
	(d) Goodwill	5.93	5.93
	(e) Other Intangible Assets	8.66	12.17
	(f) Financial Assets		
	(i) Investments	519.05	519.05
	(ii) Others	10.68	10.24
	(g) Other non-current assets	0.48	1.41
	Total Non current assets	757.26	769.39
2	Current Assets		
	(a) Inventories	194.97	199.14
	(b) Financial Assets		
	(i) Trade Receivables	187.72	197.43
	(ii) Cash & Cash Equivalents	15.35	36.25
	(iii) Bank balances other than (ii) above	0.93	1.92
	(iv) Loans	0.80	0.44
	(v) Others	120.07	103.67
	(c) Other current assets	18.76	14.69
	Assets classified as held for sale	0.21	-
	Total Current assets	538.81	553.54
	Total Assets	1,296.07	1,322.93
	EQUITY & LIABILITIES		
1	Equity		
	(a) Equity Share Capital	8.99	8.99
	(b) Other Equity	728.44	698.99
	Total Equity	737.43	707.98
2	LIABILITIES		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	151.40	216.40
	(ii) Lease Liabilities	0.75	0.53
	(b) Deferred tax liabilities (net)	5.68	5.85
	Total Non-current liabilities	157.83	222.78
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	206.11	114.74
	(ii) Lease Liabilities	1.99	4.97
	(iii) Trade payables due to		
	- Micro & Small Enterprises	1.57	0.67
	- Other than Micro & Small Enterprises	118.92	153.19
	(iv) Others	15.04	20.15
	(b) Other current liabilities	49.26	91.13
	(c) Provisions	6.62	7.06
	(d) Current tax liabilities (net)	1.22	0.26
	Liabilities directly associated with assets classified as held for sale	0.08	-
	Total Current Liabilities	400.81	392.17
	Total Equity & Liabilities	1,296.07	1,322.93



GMM PFAUDLER LIMITED
STATEMENT OF STANDALONE CASH FLOW FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023

₹ In Crore

Particulars		Half Year Ended	
		30.09.2023	30.09.2022
		Unaudited	Unaudited
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
Profit before tax		43.39	56.92
Adjustments for:			
Depreciation and amortisation expenses		19.44	17.52
Net (gain) / loss on disposal of property, plant & equipment including asset held for sale		(0.02)	0.04
Share based payment to employees		1.27	0.49
Interest income		(0.21)	(0.03)
Interest and finance charges		16.53	10.22
Provision for doubtful debts, liquidated damages and advances		3.89	1.25
Provision for warranty		0.20	0.54
Unrealised foreign exchange fluctuation loss		0.68	2.90
Operating profit before working capital changes		85.17	89.85
Adjustments for:			
Decrease / (Increase) in Inventories		4.17	(30.53)
(Increase) in Trade receivable, loans and other financial & Non financial assets		(17.19)	(93.45)
(Decrease) / Increase in Trade payables, provisions and other financial & Non financial liabilities		(81.21)	2.37
Cash used in operations		(9.06)	(31.76)
Direct taxes paid		(9.96)	(13.87)
Net cash used in operating activities	A	(19.02)	(45.63)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
Payment for Property, Plant and Equipment, intangible assets, capital work in progress, capital advances and capital payables		(6.34)	(21.27)
Proceeds from sale of Property, Plant and Equipment including asset held for sale		0.18	0.30
Proceeds from fixed deposits (net)		2.06	0.07
Interest received		0.21	0.03
Purchase of balance share in subsidiary		-	(173.38)
Net cash used in investing activities	B	(3.89)	(194.25)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
Proceeds from short term borrowings		119.75	91.71
Repayment of short term borrowings		(41.80)	(5.50)
Proceeds from long term borrowings		-	173.38
Repayment of long term borrowings		(51.42)	(10.95)
Interest paid		(16.00)	(9.40)
Dividend paid		(4.44)	(4.36)
Payment of lease liabilities		(4.08)	(3.89)
Net cash generated from financing activities	C	2.01	230.99
NET DECREASE IN CASH & CASH EQUIVALENTS	A+B+C	(20.90)	(8.89)
Cash and cash equivalents at the beginning of the year		36.25	14.74
Cash and cash equivalents at the end of the period		15.35	5.85



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 November 09, 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) 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.
- 4) During the financial year 2021-22, 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 year 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".
- 5) The Company has granted ESOP's to the eligible employees of the Company 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 ₹ 0.14 Crore (basis registered valuer report) and have an average expected life of 3 to 3.5 years. Accordingly, the Company has recorded cost of ₹ 0.01 Crore during the quarter ended September 30, 2023 and ₹ 0.02 Crore for the half year ended September 30, 2023.
- 6) The Board of Directors have announced an interim dividend of ₹ 1/- per share for the current Financial Year 2023-24. The record date for the payment of the said dividend has been fixed as November 20, 2023.

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



Place : Mumbai
Date : November 09, 2023

Tarak Patel
Managing Director