

GMM/SEC/2018-19/Q2/11

October 25, 2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
1st Floor, Dalal Street,
Mumbai – 400 001

NSE Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Scrip Code: 505255

Symbol: GMPFAUDLR

Dear Sirs,

Sub: Outcome of the Board Meeting held on October 25, 2018

Pursuant to the Regulation 30 and 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), this is to inform you that the Board of Directors of the Company at their Meeting held on October 25, 2018, commenced at 2.30 pm and concluded at 3.45 pm have amongst other matters considered the following:

1. Un-audited Financial Results (Standalone) for the 2nd quarter ended September 30, 2018 were received, considered and approved.
2. Limited Review Report of the Statutory Auditors on the Un-audited Financial Results for the 2nd quarter ended September 30, 2018 was adopted.
3. Payment of Second Interim Dividend @ Rs. 1.00 per share of 1,46,17,500 Equity Shares of Rs. 2/- each, aggregating to Rs. 14,617,500/- for the year 2018-19 was approved.
4. The Record Date of payment of Second Interim Dividend of Rs.1.00 per share was decided as November 2, 2018 and the date of payment as on or before November 22, 2018.

A copy of the aforesaid Un-audited Financial Results and Limited Review Report of the Statutory Auditors for the 2nd quarter ended September 30, 2018 as approved by the Board is enclosed for your records in compliance with the requirements of Regulation of the Listing Regulations.

Kindly acknowledge the same.

Thanking you,

Yours faithfully,
For GMM Pfaudler Limited



Tarak Patel
Managing Director

Encl: As above

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
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2018

₹ in Million

	Particular	3 months ended	Preceding 3 months ended on	Corresponding 3 months ended in previous year	Half year ended	Half year ended	Year ended
		30.09.2018 Unaudited	30.06.2018 Unaudited	30.09.2017 Unaudited	30.09.2018 Unaudited	30.09.2017 Unaudited	31.03.2018 Audited
					Refer Note 5	Refer Note 5	
1	Revenue from Operations	991.83	932.14	764.19	1,923.97	1,505.40	3,176.73
	Other Income	18.67	13.14	12.51	31.81	41.10	70.39
	Total Income	1,010.50	945.28	776.70	1,955.78	1,546.50	3,247.12
2	Expenses :						
	a) Cost of materials consumed	497.30	403.23	379.87	900.53	696.85	1,481.89
	b) Changes in inventories of finished goods and work-in-progress	(15.57)	23.44	(63.92)	7.87	(74.82)	(168.80)
	c) Excise duty on sale of goods	-	-	-	-	52.63	52.63
	d) Employee benefits expense	105.17	98.95	97.24	204.12	182.76	364.73
	e) Depreciation & amortization expenses	26.28	25.41	20.27	51.69	39.87	83.06
	f) Labour Charges	65.62	74.05	80.60	139.67	147.20	318.51
	g) Finance cost	3.44	1.72	1.39	5.16	5.87	10.31
	h) Other Expenses	178.38	179.85	154.39	358.23	306.02	665.84
	Total Expenses	860.62	806.65	669.84	1,667.27	1,356.38	2,808.17
3	Profit before exceptional items and tax (1-2)	149.88	138.63	106.86	288.51	190.12	438.95
4	Exceptional items	-	-	-	-	-	-
5	Profit Before Tax (3 ± 4)	149.88	138.63	106.86	288.51	190.12	438.95
6	Tax Expense:						
	Current Tax	49.48	45.86	34.06	95.34	58.76	134.22
	Dcferrred Tax	2.37	1.83	2.53	4.20	5.59	20.98
7	Profit for the period from continuing operation (5-6)	98.03	90.94	70.27	188.97	125.77	283.75
8	Profit from discontinued operations	-	-	-	-	-	-
9	Tax Expenses of discontinued operations	-	-	-	-	-	-
10	Profit from discontinued operations (after tax) (7-8)	-	-	-	-	-	-
11	Profit for the period (7+10)	98.03	90.94	70.27	188.97	125.77	283.75
12	Other Comprehensive Income						
	A) i) Item that will not be reclassified to profit or loss						
	Remeasurement of Defined benefit plan	-	-	-	-	-	(3.35)
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	B) i) Item that will be reclassified to profit or loss	-	-	-	-	-	-
	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)	98.03	90.94	70.27	188.97	125.77	280.40
14	Earnings per equity share (For continuing operation) (Face Value of share Rs 2/- each) (not annualised):						
	a) Basic & Diluted	6.71	6.22	4.81	12.93	8.60	19.41
15	Earnings per equity share (For discontinued operation) (Face Value of share Rs 2/-) (not annualised):						
	a) Basic & Diluted	-	-	-	-	-	-
16	Earnings per equity share (For discontinued operation & continuing operation) (Face Value of share Rs 2/-) (not annualised):						
	a) Basic & Diluted	6.71	6.22	4.81	12.93	8.60	19.41

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 25,
- The statutory auditors have carried out a limited review of the above results as required under Regulation 33 of the SEBI Listing Regulations.
- The Board of Directors have announced a Second interim dividend Rs. 1 per share for the current financial year 2018-19. The record date for the payment of the said dividend has been fixed on November 2, 2018.
- Number of Investors complaints (i) received during the quarter : Nil (ii) disposed off : Nil and (iii) pending at the quarter end: Nil
- Post implementation of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operation is disclosed net off GST, Revenue from operations for the earlier periods included excise duty which is now subsumed in GST. Revenue from operations for half year ended 30th September 2017 and the year ended March 31, 2018 includes excise duty up to June 30, 2017. Accordingly, revenue from operations for the half year ended September 30, 2018 is not comparable to those of previous periods presented.
- Effective April 1, 2018, the Company has applied Ind AS 115 which replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the interim financial results are not restated. The adoption of the standard did not have any material impact to the financial statements of the Company.

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


Tarak A. Patel
Managing Director

Place : Mumbai
Date : October 25 , 2018



GMM PFAUDLER LIMITED
Unaudited Standalone Statement of Assets & Liabilities as at 30th September, 2018

₹ in Million

	Particulars	As on 30.09.2018	As on 31.03.2018
	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant & Equipment	533.51	553.01
	(b) Capital work-in-progress	42.64	27.60
	(c) Other Intangible Assets	57.83	12.16
	(d) Intangible assets under development	0.75	40.22
	(d) Financial Assets		
	(i) Investments	227.64	228.75
	(ii) Loans	-	-
	(iii) Others	9.60	8.47
	(e) Other non-current assets	21.64	5.41
	Total Non current assets	893.61	875.62
(2)	Current Assets		
	(a) Inventories	1,013.85	787.90
	(b) Financial Assets		
	(i) Investments	503.48	496.92
	(ii) Trade Receivables	542.01	419.65
	(iii) Cash & Cash Equivalents	5.92	110.44
	(iv) Bank balances other than (iii) above	3.71	2.23
	(v) Loans	1.62	2.73
	(vi) Others	220.55	138.37
	(c) Other current assets	92.72	64.50
	Total Current assets	2,383.86	2,022.74
	Total Assets	3,277.47	2,898.36
	EQUITY & LIABILITIES		
	Equity		
	(a) Equity Share Capital	29.23	29.23
	(b) Other Equity	1,966.67	1,828.82
	Total Equity	1,995.90	1,858.05
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Deferred tax liabilities (Net)	53.49	49.29
	Total Non liabilities	53.49	49.29
(2)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowing	66.18	-
	(ii) Trade payables	620.71	490.03
	(iii) Other financial liabilities (other than those specified in item (ii))	69.72	95.64
	(b) Provisions	24.53	22.69
	(c) Current Tax Liabilities (Net)	35.69	10.78
	(d) Other current liabilities	411.25	371.88
	Total Liabilities	1,228.08	991.02
	Total Equity & Liabilities	3,277.47	2,898.36



Place : Mumbai
Date : October 25, 2018

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

Tarak A. Patel
Managing Director

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

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

₹ in Million

Particulars	3 months ended	Preceding 3 months ended on	Corresponding 3 months ended in previous year	Half year ended	Half year ended	Year ended
	30.09.2018 Unaudited	30.06.2018 Unaudited	30.09.2017 Unaudited	30.09.2018 Unaudited	30.09.2017 Unaudited	31.03.2018 Audited
1) Segment Revenue				Refer Note 5	Refer Note 5	
a) Glass line equipment	670.76	659.36	535.86	1,330.12	1,064.66	2,185.99
b) Heavy Engineering	136.75	104.11	91.98	240.86	186.31	370.92
c) Proprietary Product	184.32	168.67	136.35	352.99	254.43	619.82
Net sales / Income from Operation	991.83	932.14	764.19	1,923.97	1,505.40	3,176.73
2) Segment Result:						
Profit / (Loss) before Tax and Interest						
a) Glass line equipment	120.38	131.26	115.95	251.64	196.88	429.54
b) Heavy Engineering	23.17	22.97	9.13	46.14	16.97	40.29
c) Proprietary Product	22.04	11.64	6.13	33.68	11.98	46.47
Total	165.59	165.87	131.21	331.46	225.83	516.30
Less : Finance Costs	3.44	1.72	1.39	5.16	5.87	10.31
Less: Other Unallocable Expense net of Unallocable Income	12.27	25.52	22.96	37.79	29.84	67.04
Total Profit before Tax	149.88	138.63	106.86	288.51	190.12	438.95
3) Segment Assets:						
a) Glass line equipment	1,520.94	1,461.22	1,249.07	1,520.94	1,249.07	1,325.80
b) Heavy Engineering	387.13	341.50	276.92	387.13	276.92	258.47
c) Proprietary Product	512.76	440.40	308.18	512.76	308.18	317.87
Unallocable Asset	856.64	869.05	847.89	856.64	847.89	996.22
Total	3,277.47	3,112.17	2,682.06	3,277.47	2,682.06	2,898.36
4) Segment Liabilities:						
a) Glass line equipment	748.49	744.62	581.25	748.49	581.25	656.16
b) Heavy Engineering	128.09	130.28	117.68	128.09	117.68	104.67
c) Proprietary Product	245.99	202.71	174.80	245.99	174.80	214.34
Unallocable Liabilities	159.00	85.60	80.29	159.00	80.29	65.14
Total	1,281.57	1,163.21	954.02	1,281.57	954.02	1,040.31

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



Tarak A. Patel
Managing Director

Place : Mumbai
Date : October 25, 2018



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM 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 half year ended September 30, 2018 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the 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 issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Kartikeya Raval

Kartikeya Raval
Partner
(Membership No. 106189)

Ahmedabad, *October 25*, 2018

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Quarterly Earnings Release | Q2 FY19

Mumbai, October 25th, 2018: GMM Pfaudler (GMMP) a leading supplier of process equipment to the pharmaceutical and chemical industry segments today announced its **second quarter (Q2FY19) and Half Year (H1FY19) results for the period ended September 30th, 2018**

Financial Performance

Standalone Q2FY19 review (Y/Y %)

- Total Operating revenue was Rs.992mn as compared to Rs.764mn during Q2FY18, reflecting an increase of 30%.
- EBITDA stood at Rs.161mn as compared to Rs.116mn during Q2FY18, reflecting an increase of 39%.
- EBITDA Margin at 16% for Q2FY19 as against 15% in Q2FY18.
- Net profit stood at Rs.98mn for Q2FY19 as compared to Rs.70mn in Q2FY18, reflecting an increase of 40%.

Standalone H1FY19 review (Y/Y %)

- Total Operating revenue was Rs.1,924mn as compared to Rs.1,453mn during H1FY18, reflecting an increase of 32%.
- EBITDA stood at Rs.314mn as compared to Rs.195mn during H1FY18, reflecting an increase of 61%.
- EBITDA Margin at 16% for H1FY19 as against 13% in H1FY18.
- Net profit stood at Rs.189mn for H1FY19 as compared to Rs.126mn in H1FY18, reflecting an increase of 50%.

Management Comment

Commenting on the Company's performance for Q2FY19, Mr. Tarak Patel, Managing Director said "We are pleased to report strong performance in this quarter with revenue growth of 30% and EBITDA growth of 39% over the same period in the previous year. Demand outlook across our business lines remain buoyant and our backlog continues to be very strong across all our business lines driven by the Chemical and Pharmaceutical sectors. Exports sales have been steadily improving and we are also seeing improved performance in our subsidiary Mavag."

He further added "We continue to focus on improving our execution capabilities and streamlining our processes. We remain optimistic on the long-term prospects of the Company."

About GMM Pfaudler

GMM Pfaudler (GMMP) is a leading supplier of process equipment to the pharmaceutical and chemical industries. GMMP is the market leader and has more than five decades' experience in manufacturing Glass lined Equipment. Over the years GMMP has diversified its product portfolio to include Mixing Systems, Filtration & Drying Equipment, Engineered Systems and Heavy Engineering Equipment and is today a one stop shop for the chemical process industry. The Company has long standing track record of consistent dividends. For Details please contact www.gmmpfaudler.com

For details please contact:

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Disclaimer:

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-



Quarterly Earnings Release | Q2 FY19

looking statements. GMM Pfaudler Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.