

B.N. Subramanya & Co.,  
Chartered Accountants



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**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**To Board of Directors of M/ s Smiths & Founders (India) Limited**

We have audited the quarterly financial results of M/s Smiths & Founders (India) Limited for the quarter ended 31<sup>st</sup> March 2018 and the year to date results for the period from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (IND AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the quarter ended 31<sup>st</sup> March 2018 as well as the year to date results for the period from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018.

For B.N. Subramanya & Co.  
Chartered Accountants  
FRN: 004142S

Devendra  
Nayak

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Devendra Nayak  
Date: 2018.05.26  
14:19:55 +05'30'

Devendra Nayak  
Partner  
M.No: 27449

Place: Bangalore  
Date :26<sup>th</sup>May,2018

PART I Statement of Standalone Audited Financial Results for the quarter and year ended March 31, 2018 (₹ In Lakhs)						
Sl. No.	Particulars	Quarter ended 31.03.2018	Quarter ended 31.12.2017	Quarter ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income from operations</b>					
	(a) Net sales/ income from operations	225.71	216.71	173.52	904.62	843.33
	(b) Other operating income	0.00				
	<b>Total income from operations (net)</b>	<b>225.71</b>	<b>216.71</b>	<b>173.52</b>	<b>904.62</b>	<b>843.33</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	104.01	106.72	84.40	353.36	329.82
	(b) Changes in inventories of finished goods & work-in-progress	-33.58	-40.94	-4.03	-44.95	-14.83
	(c) Excise Duty on sale of Goods	0.00	0	0.00	21.75	89.79
	(d) Employee benefits expense	77.10	68.19	64.28	278.63	258.60
	(e) Depreciation and amortisation expense	7.01	6.55	6.48	26.36	24.40
	(f) Other expenses	63.46	69.33	52.28	254.43	229.48
	<b>Total expenses</b>	<b>218.00</b>	<b>209.85</b>	<b>203.41</b>	<b>889.58</b>	<b>917.26</b>
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>7.71</b>	<b>6.86</b>	<b>-29.89</b>	<b>15.04</b>	<b>-73.93</b>
4	Other income	0.11		1.53	1.02	69.60
5	<b>Profit / (Loss) from Ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>7.82</b>	<b>6.86</b>	<b>-28.36</b>	<b>16.06</b>	<b>-4.33</b>
6	Finance costs	4.99	6.35	5.73	24.25	18.75
7	<b>Profit / (Loss) from Ordinary activities after finance costs but before exceptional items (5 + 6)</b>	<b>2.83</b>	<b>0.51</b>	<b>-34.09</b>	<b>-8.19</b>	<b>-23.08</b>
8	Exceptional items	0.00	0.00	0.00	0.00	0.00
9	<b>Profit / (Loss) from Ordinary activities before tax (7+ 8)</b>	<b>0.00</b>	<b>0.51</b>	<b>-34.09</b>	<b>-8.19</b>	<b>-23.08</b>
10	Tax expense	0.00	0.00	0.00	0.00	0.00
11	<b>Net Profit / (Loss) from Ordinary activities after tax (9 + 10)</b>	<b>0.00</b>	<b>0.51</b>	<b>-34.09</b>	<b>-8.19</b>	<b>-23.08</b>
12	Extraordinary items (net of tax expense)	0.00	0.00	0.00	0.00	0.00
13	<b>Net Profit / (Loss) for the period (11 + 12)</b>	<b>0.00</b>	<b>0.51</b>	<b>-34.09</b>	<b>-8.19</b>	<b>-23.08</b>
14	Paid-up equity share capital ( Face value ₹ 1/-)	1019.97	1019.97	1019.97	1019.97	1019.97
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-
16	<b>Earnings per share before and after extraordinary items (of ₹ 1/- each) (not annualised):</b>					
	a) Basic	0.00	0.00	-0.03	-0.01	-0.02
	b) Diluted	0.00	0.00	-0.03	-0.01	-0.02

**STATEMENT OF ASSETS AND LIABILITIES ( Amount in ₹ )**

Particulars	3/31/2018 ( Audited )	31/03/2017 ( Audited )
<b>A EQUITY AND LIABILITIES</b>		
1 Shareholders' funds		
(a) Share capital	101996525	101996525
(b) Reserves and Surplus	-51246444	-50427018
<b>Sub-total – Shareholders' funds</b>	<b>50750081</b>	<b>51569507</b>
2 Shares pending allotment for consideration other than cash	0	0
3 Non-current liabilities		
(a) Long-term borrowings	13920175	6919300
(b) Long-term provisions	5834103	4838350
<b>Sub-total – Non-current liabilities</b>	<b>19754278</b>	<b>11757649</b>
4 Current liabilities		
(a) Short-term borrowings	6078184	14600000
(b) Trade payables	7893356	2679552
(c) Other current liabilities	8306511	4787588
(d) Short-term provisions	0	130987
<b>Sub-total – Current liabilities</b>	<b>22278051</b>	<b>22198127</b>
<b>TOTAL – EQUITY AND LIABILITIES</b>	<b>92782409</b>	<b>85525283</b>
<b>B ASSETS</b>		
1 Non-current assets		
(a) Fixed assets	58706116	58473645
(b) Capital Work-in-progress	277257	0
(c) Non-current Investments	-	0
(d) Other Non-current Assets	1759850	1456584
<b>Sub-total – Non-current assets</b>	<b>60743223</b>	<b>59930229</b>
2 Current assets		
(a) Inventories	19639254	10208280
(b) Trade receivables	9912731	11378376
(c) Cash & Bank Balances	1313736	3379488
(d) Short-term loans and advances	-	233590
(e) Other Current Assets	1173465	395320
<b>Sub-total – Current assets</b>	<b>32039186</b>	<b>25595054</b>
<b>TOTAL – ASSETS</b>	<b>92782409</b>	<b>85525283</b>



**Notes:**

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 26, 2018
- 2 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the 3rd quarter of the current financial year.
- 3 The Company does not have more than one reportable segment in line with the Accounting Standard (AS)17 'Segment Reporting' issued by the Institute of Chartered Accountants of India and hence segmental reporting is not required to be given.
- 4 Previous period's figures have been regrouped / reclassified, wherever necessary.
- 5 The results will be available on the Company's website [www.smithsandfoundersindia.com](http://www.smithsandfoundersindia.com) and Stock Exchange website [www.bseindia.com](http://www.bseindia.com)

Place: Bangalore  
Date : 26.05.2018



For and on behalf of the Board

A handwritten signature in blue ink, appearing to read "Suresh Shastry". The signature is written over a horizontal line and extends to the right with a long, sweeping tail.

Suresh Shastry  
Chairman & Managing Director

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