

LIMITED REVIEW REPORT

To the Board of Directors
Simmonds Marshall Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Simmonds Marshall Limited** ('the Company') for the quarter and half year ended **30th September, 2017** being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular dated 05th July, 2016. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular dated 05th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E

R. P. Baradiya
R. P. Baradiya
Partner
Membership No. 44101

Mumbai
27th November, 2017

Simmonds Marshall Limited

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Unaudited Standalone Financial Results for the Quarter and Half Year ended September 30, 2017

(Rs.in Lakhs)

Particulars	Quarter Ended			Half Year Ended	
	30-09-2017	30-06-2017	30-09-2016	30-09-2017	30-09-2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1 Revenue from Operations	4,688.97	3,508.90	3,874.32	8,197.87	7,438.85
2 Other Income	18.98	27.15	2.00	46.13	19.98
3 Total Revenue (1+2)	4,707.95	3,536.05	3,876.32	8,244.00	7,458.83
4 Expenses					
a) Cost of material consumed	1,669.55	1,505.41	1,543.55	3,174.96	2,927.97
b) Purchase of traded goods	-	-	17.44	-	36.75
c) Change in inventories of finished goods and work-in-progress	82.94	(403.43)	(175.59)	(320.51)	(192.11)
d) Employee benefits expense	786.30	714.21	618.19	1,500.51	1,172.81
e) Finance costs	68.60	81.61	72.24	150.21	147.51
f) Depreciation and amortisation expense	98.57	111.41	100.18	209.98	193.59
g) Other expenses	1,521.68	1,404.05	1,281.85	2,925.73	2,457.56
Total Expenses	4,227.64	3,413.26	3,457.86	7,640.88	6,744.08
5 Profit before Tax (3-4)	480.31	122.79	418.46	603.12	714.75
6 Tax Expense					
a) Current Tax	168.76	55.97	153.17	224.73	271.86
b) Deferred Tax	0.50	(15.20)	(10.94)	(14.70)	(23.83)
	169.26	40.77	142.23	210.03	248.03
7 Profit for the period (5-6)	311.05	82.02	276.23	393.09	466.72
8 Other Comprehensive Income					
i) Items that will not be classified to Profit and Loss					
a) Remeasurement of the net defined benefit liabilities (Net of tax)	10.89	11.27	15.63	22.16	30.16
9 Total Comprehensive Income for the period (7-8)	300.16	70.75	260.60	370.93	436.56
10 Earnings per share (of Rs.2 each)					
Basic (Not annualised)	2.78	0.73	2.47	3.51	4.17
Diluted (Not annualised)	2.78	0.73	2.47	3.51	4.17



Statement of Assets and Liabilities	
	(Rs. in lakhs)
	As at September 30, 2017 (Unaudited)
A. ASSETS	
Non-current assets	
Property, plant and equipment	2,348.23
Capital work-in-progress	71.74
Goodwill	126.97
Financial assets	
- Investments	397.53
- Other financial assets	41.72
Income tax assets (net)	5.88
Other non-current assets	107.79
Total non-current assets	3,099.86
Current assets	
Inventories	3,338.39
Financial assets	
- Trade receivables	3,940.60
- Cash and cash equivalents	9.79
- Bank balances other than above	120.89
- Other financial assets	12.04
Other current assets	224.60
Total current assets	7,646.31
TOTAL ASSETS	10,746.17
B. EQUITY AND LIABILITIES	
Equity	
Equity share capital	224.00
Other equity	5,380.10
Total equity	5,604.10
Liabilities	
Non-current liabilities	
Financial liabilities	
- Borrowings	1,062.62
Provisions - Employee Benefits	43.56
Deferred tax liabilities (Net)	167.48
Total non-current liabilities	1,273.66
Current liabilities	
Financial liabilities	
- Borrowings	869.50
- Trade payables	2,331.15
- Other financial liabilities	449.81
Other current liabilities	91.77
Provisions - Employee Benefits	126.18
Total current liabilities	3,868.41
TOTAL EQUITY AND LIABILITIES	10,746.17



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- Notes 1 The above unaudited results were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on November 27, 2017. The Statutory Auditors have expressed an unqualified opinion.
- 2 a) The Company adopted Indian Accounting Standards (IND AS) effective 1st April, 2017 (transition date being 1st April, 2016) and accordingly, the financial results for above quarters and half year have been prepared in accordance with the recognition and measurement principles laid down in the IND AS prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The limited review of unaudited financial results for the quarter and half year ended September 30, 2017 as required in terms of Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been carried out by Statutory Auditors. The Ind AS compliant corresponding figures for the quarter and half year ended September 30, 2016 have not been subjected to review or audit. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- b) Reconciliation of results between previously reported (referred to as "Previous GAAP") and IND AS for the quarter and half year ended September 30, 2016 is presented as under:

(Rs.in Lakhs)

Particulars	Note Reference	Standalone	
		For the half year ended Sept 30, 2016	For the quarter ended Sept 30, 2016
Net Profit under Previous GAAP		427.81	253.16
Net Gain on financial assets/liabilities fair valued through Statement of Profit and Loss	(i)	(0.73)	4.04
Amortisation of Goodwill reversed	(ii)	13.40	6.73
Employee benefits - Actuarial Gain/(Loss) recognised in Other Comprehensive Income	(iii)	30.16	15.63
Deferred Tax	(iv)	(3.92)	(3.33)
Net Profit for the quarter under IND AS		466.72	276.23
Employee benefits - Actuarial Gain/(Loss) recognised in Other Comprehensive Income	(iii)	(30.16)	(15.63)
Total Comprehensive Income under IND AS		436.56	260.60

- (i) Fair Valuation for Financial Assets/Liabilities - The Company has valued financial assets/liabilities at fair value. Impact of fair value changes as on the date of transition, is recognised in the opening reserve and changes there after are recognised in Statement of Profit and Loss account or Other Comprehensive Income as the case may be.
- (ii) Impairment testing of goodwill - IND AS 103, Business Combination requires impairment testing of goodwill. The Company has done the impairment testing for the carrying amount of goodwill as on date of transition and no impairment is required. Also, amortisation of goodwill charged to Statement of Profit and Loss is reversed
- (iii) Employee Benefits - Actuarial Gains and Losses are recognised in other comprehensive income.
- (iv) Deferred Tax - The impact of transition adjustments together with IND AS mandate of using Balance Sheet approach (against Profit & Loss approach in the previous GAAP) for computation of Deferred Taxes has resulted in charge to reserve, on the date of transition, with consequential impact to the Statement of Profit and Loss account for the subsequent periods.
- 3 The Company has only single reportable business segment i.e. Manufacturing of Industrial Fasteners' in terms of requirements of IND AS 108 and has its operations / assets located in India.

For and on behalf of the Board of Directors



S. J. Marshall

S. J Marshall

Chairman

DIN : 00085682

Place : Mumbai

Date : November 27, 2017

