



# SIMMONDS MARSHALL LIMITED

**Regd. Office & Factory :**

Mumbai-Pune Road, Kasarwadi, Pune 411 034.

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E-Mail : [smlpune@simmondsmarshall.com](mailto:smlpune@simmondsmarshall.com)

CIN : L29299PN1960PLC011645

**Admn. & Sales Office :**

Apeejay Chambers, 5, Wallace Street, Mumbai-400 001.

Tel. : (91-022) 6633-7425 / 6633-7426 / 6633-7427

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Website : [www.simmondsmarshall.com](http://www.simmondsmarshall.com)

To  
BSE Limited,  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

Date: July 13, 2020

**Reg: Security Code No. 507998:**

**Sub: Outcome of the Board Meeting Held on July 13, 2020.**

Dear Sir/Ma'am,

Pursuant to Regulation 30 & Regulation 33 of SEBI (LODR) Regulations, 2015, we wish to inform you that the Board of Directors at their Meeting held today (i.e. **Monday, July 13, 2020**) has Approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2020 as recommended by the Audit Committee.

In this regard, we are enclosing herewith the following:

- Audited Financial Results (Standalone and Consolidated) for the Quarter and year ended March 31, 2020 along with the Statement of Assets and Liabilities and Cash Flow Statement of the Company as on that date.
- Auditors Report on the Financial Results received from the Statutory Auditor of the Company for the Quarter and year ended March 31, 2020.
- Declaration regarding the Auditor's report with unmodified opinion on the Audited Financial Results (Standalone and Consolidated) of the Company for the financial year ended on March 31, 2020.

The Meeting of the Board commenced at 1:00 P.M. and concluded at 1: 45 P.M. With regret like to inform that due to technical reasons we could not upload the outcome within 30 minutes from the conclusion time of Board meetings.

The results will be published in the newspaper pursuant to Regulation 47(1)(b) of SEBI (LODR) Regulations, 2015 in due course.

Kindly take the above on your record.

Thanking You,  
Yours faithfully,  
For SIMMONDS MARSHALL LIMITED

N. S. MARSHALL  
MANAGING DIRECTOR  
(DIN: 00085754)

Encl: as above



IATF No. 0096543  
ISO/TS 16949-2009



ISO 14001:2004  
Reg. No. 8302-E

**Simmonds Marshall Limited**  
**Regd. Office: Mumbai-Pune Road, Karsarwadi, Pune (MH) - 411 034**

Tel. 020-30782150 Fax: 020-30782195

E-Mail: secretarial@simmondsmarshall.com website: www.simmondsmarshall.com CIN:L29299PN1960PLC011645

**Audited Standalone Financial Results for the quarter and year ended March 31, 2020**

(Rs. in Lakhs)

Particulars		Standalone				
		Quarter Ended			Year Ended	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from operations	3,161.73	3,173.76	4,125.72	14,169.02	18,178.47
2	Other income	13.39	7.22	4.27	30.58	89.28
3	<b>Total Revenue (1+2)</b>	<b>3,175.12</b>	<b>3,180.98</b>	<b>4,129.99</b>	<b>14,199.60</b>	<b>18,267.75</b>
4	<b>Expenses</b>					
	a) Cost of materials consumed	1,221.45	1,164.90	1,559.50	5,646.69	7,592.74
	b) Purchase of traded goods	-	-	-	-	11.38
	c) Change in inventories of finished goods and work-in-progress	175.83	(70.43)	(1.87)	(437.23)	(1,045.20)
	d) Employee benefits expense	842.62	849.20	945.46	3,490.44	3,720.95
	e) Finance costs	126.43	207.95	125.09	541.13	370.81
	f) Depreciation and amortisation expense	109.30	145.05	117.03	538.83	449.41
	g) Job Work Charges	556.21	591.42	654.77	2,500.31	2,925.50
	h) Other expenses	702.11	642.32	775.33	2,961.16	3,468.32
	<b>Total Expenses</b>	<b>3,733.95</b>	<b>3,530.41</b>	<b>4,175.31</b>	<b>15,241.33</b>	<b>17,493.91</b>
5	<b>Profit/(Loss) before tax (3-4)</b>	<b>(558.83)</b>	<b>(349.43)</b>	<b>(45.32)</b>	<b>(1,041.73)</b>	<b>773.84</b>
6	<b>Tax Expense</b>					
	a) Current tax	-	-	(16.88)	-	234.18
	b) Deferred tax	(171.62)	(90.43)	(18.43)	(292.90)	(30.67)
	c) Tax pertaining to earlier years	22.00	-	(16.12)	22.00	(6.26)
7	<b>Profit/(Loss) for the period (5-6)</b>	<b>(409.21)</b>	<b>(259.00)</b>	<b>6.11</b>	<b>(770.83)</b>	<b>576.59</b>
8	<b>Other Comprehensive Income</b>					
	i) Items that will not be classified to Profit and Loss					
	a) Remeasurement of the net defined benefit liabilities (Net of tax)	42.38	14.02	5.15	84.45	41.98
9	<b>Total Comprehensive Income (7-8)</b>	<b>(451.59)</b>	<b>(273.02)</b>	<b>0.96</b>	<b>(855.28)</b>	<b>534.61</b>
10	<b>Paid up equity</b>	<b>224.00</b>	<b>224.00</b>	<b>224.00</b>	<b>224.00</b>	<b>224.00</b>
11	<b>Other Equity</b>				<b>5,601.86</b>	<b>6,524.69</b>
12	<b>Earnings per share (of Rs. 2 each)</b>					
	Basic & Diluted (Not annualised)	(3.65)	(2.31)	0.05	(6.88)	5.15



**Simmonds Marshall Limited**  
**Audited Consolidated Financial Results for the quarter and year ended March 31, 2020**

(Rs. in Lakhs)

Particulars	Consolidated			
	Quarter Ended		Year Ended	
	31-03-2020	31-12-2019	31-03-2020	31-03-2019
	Audited	Unaudited	Audited	Audited
1 Revenue from operations	3,395.27	3,374.16	15,155.82	19,469.20
2 Other income	13.58	7.51	31.71	85.58
<b>3 Total Revenue (1+2)</b>	<b>3,408.85</b>	<b>3,381.67</b>	<b>15,187.53</b>	<b>19,554.78</b>
<b>4 Expenses</b>				
a) Cost of materials consumed	1,406.89	1,167.99	6,341.83	8,592.03
b) Purchase of traded goods	-	-	-	11.38
c) Change in inventories of finished goods and work-in-progress	159.47	85.27	(368.81)	(1,073.71)
d) Employee benefits expense	881.09	889.29	3,643.94	3,888.02
e) Finance costs	126.43	207.95	541.13	372.08
f) Depreciation and amortisation expense	111.42	147.17	547.23	457.64
g) Job Work Charges	559.48	592.73	2,516.09	2,950.85
h) Other expenses	731.15	648.55	3,031.39	3,580.92
<b>Total Expenses</b>	<b>3,975.93</b>	<b>3,738.95</b>	<b>16,252.80</b>	<b>18,779.21</b>
<b>5 Profit/(Loss) before tax (3-4)</b>	<b>(567.08)</b>	<b>(357.28)</b>	<b>(1,065.27)</b>	<b>775.57</b>
<b>6 Tax Expense</b>				
a) Current tax	-	-	-	236.79
b) Deferred tax	(179.65)	(98.11)	(315.90)	(31.59)
c) Tax pertaining to earlier years	22.00	-	22.00	(6.26)
<b>7 Profit/(Loss) for the period (5-6)</b>	<b>(409.43)</b>	<b>(259.17)</b>	<b>(771.37)</b>	<b>576.63</b>
<b>8 Share of Profit / (Loss) from an associate</b>	<b>(18.11)</b>	<b>2.82</b>	<b>(4.30)</b>	<b>9.64</b>
<b>9 Total Profit/(Loss) for the period (7+8)</b>	<b>(427.54)</b>	<b>(256.35)</b>	<b>(775.67)</b>	<b>586.27</b>
<b>10 Other Comprehensive Income (including share in a associate)</b>				
i) Items that will not be classified to Profit and Loss				
a) Remeasurement of the net defined benefit liabilities (Net of tax)	42.38	14.02	84.45	41.98
<b>11 Total Comprehensive Income (9-10)</b>	<b>(469.92)</b>	<b>(270.37)</b>	<b>(860.12)</b>	<b>544.28</b>
<b>12 Total Profit/(Loss) for the year attributable to:</b>				
- Owners of the Company	(427.37)	(256.18)	(775.16)	586.23
- Non-controlling interests	(0.17)	(0.17)	(0.51)	0.04
<b>13 Other Comprehensive Income attributable to:</b>				
- Owners of the Company	42.38	14.02	84.45	41.98
- Non-controlling interests	-	-	-	-
<b>14 Total Comprehensive Income attributable to:</b>				
- Owners of the Company	(469.75)	(270.20)	(859.61)	544.24
- Non-controlling interests	(0.17)	(0.17)	(0.51)	0.04
<b>15 Paid up equity</b>	<b>224.00</b>	<b>224.00</b>	<b>224.00</b>	<b>224.00</b>
<b>16 Other Equity</b>			<b>5,602.56</b>	<b>6,529.69</b>
<b>17 Earnings per share (of Rs. 2 each)</b>				
Basic & Diluted (Not annualised)	(3.82)	(2.29)	(6.92)	5.23



**SIMMONDS MARSHALL LIMITED**  
**Statement of Assets & Liabilities**

Rs. in Lakhs

	Audited Standalone		Audited Consolidated	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	2,225.45	2,412.45	2,299.66	2,493.55
Capital work-in-progress	1,889.60	59.04	1,889.60	59.04
Intangible assets	329.22	372.94	329.22	372.94
Intangible assets under development	3.88	-	3.88	-
Investments				
- In subsidiaries, associates and joint ventures	358.47	409.59	12.47	16.77
- Others	1.00	1.00	1.00	1.00
<b>Financial assets</b>				
- Loans	8.43	8.32	8.43	8.32
- Other financial assets	266.57	32.21	268.15	33.79
Deferred Tax Assets (net)	162.21	-	179.30	-
Income tax assets (net)	55.01	-	55.01	-
Other non-current assets	43.79	267.55	43.79	267.55
<b>Total non-current assets</b>	<b>5,343.63</b>	<b>3,563.10</b>	<b>5,090.51</b>	<b>3,252.96</b>
<b>Current assets</b>				
Inventories	6,154.44	5,922.83	6,468.47	6,303.83
<b>Financial assets</b>				
- Trade receivables	1,733.59	3,791.08	1,922.09	4,040.92
- Cash and cash equivalents	46.87	32.58	67.78	50.76
- Bank balances other than above	38.20	21.32	38.20	21.33
- Loans	11.09	9.33	11.09	9.33
- Other financial assets	58.38	26.51	66.68	35.14
Current tax assets (net)	75.81	130.89	75.81	139.20
Other current assets	238.74	226.83	257.46	227.95
<b>Total current assets</b>	<b>8,357.12</b>	<b>10,161.37</b>	<b>8,907.58</b>	<b>10,828.46</b>
<b>TOTAL ASSETS</b>	<b>13,700.75</b>	<b>13,724.47</b>	<b>13,998.09</b>	<b>14,081.42</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity Share Capital	224.00	224.00	224.00	224.00
Other Equity	5,601.86	6,524.69	5,602.56	6,529.69
<b>Total equity attributable to Owner</b>	<b>5,825.86</b>	<b>6,748.69</b>	<b>5,826.56</b>	<b>6,753.69</b>
Non Controlling Interests			10.03	10.54
<b>Total Equity</b>	<b>5,825.86</b>	<b>6,748.69</b>	<b>5,836.59</b>	<b>6,764.23</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
- Borrowings	1,686.18	1,194.67	1,686.18	1,194.67
Deferred tax liabilities (Net)	-	163.23	-	169.15
Provisions	93.21	83.67	93.21	83.67
<b>Total non-current liabilities</b>	<b>1,779.39</b>	<b>1,441.57</b>	<b>1,779.39</b>	<b>1,447.49</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
- Borrowings	2,606.72	2,245.20	2,606.72	2,255.20
- Trade payables				
(a) Total outstanding dues of micro and small enterprises	640.13	346.09	640.13	344.08
(b) Total outstanding dues of creditors other than micro and small enterprises	1,798.97	2,416.20	2,080.37	2,728.95
- Other financial liabilities	792.83	350.94	792.83	350.95
Other current liabilities	50.65	58.04	75.86	72.78
Provisions	206.20	117.74	206.20	117.74
<b>Total current liabilities</b>	<b>6,095.50</b>	<b>5,534.21</b>	<b>6,382.11</b>	<b>5,869.70</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>TOTALT</b>	<b>13,724.47</b>	<b>13,998.09</b>	<b>14,081.42</b>



**Simmonds Marshall Limited**  
Statement of cash flows for the year ended March 31, 2020

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
<b>A. Cash flow from Operating Activities:</b>				
<b>Net Profit before tax and extraordinary items</b>	(1,041.73)	773.84	(1,065.27)	775.57
<b>Adjustments for:</b>				
Depreciation and Amortisation expense	538.83	449.41	547.23	457.64
Remeasurement of defined benefit plan	(117.00)	(58.16)	(117.00)	(58.16)
Bad Debts Written Off / Sundry Balances Written off (Net)	29.09	19.61	50.21	19.61
Share of (Profit)/loss from partnership firm	51.12	(3.70)	-	-
Finance costs	541.13	370.81	541.13	372.08
Provision for Expected Credit Loss	0.71	58.36	0.71	58.36
Unrealised foreign exchange gain	14.82	14.40	14.82	14.40
Profit on sale of Property, Plant and Equipment (net)	(0.73)	4.01	(0.73)	4.01
Dividend Income	(0.12)	(0.12)	(0.12)	(0.12)
Interest Income	(22.40)	(13.41)	(22.40)	(13.41)
<b>Operating Profit Before Working Capital Changes</b>	<b>(6.30)</b>	<b>1,615.05</b>	<b>(51.42)</b>	<b>1,629.99</b>
<b>Movement in working capital:</b>				
Decrease / (Increase) in Trade Receivable & Other Assets	1,750.44	724.81	1,784.06	740.99
Decrease / (Increase) in inventories	(231.61)	(2,273.96)	(164.64)	(2,301.36)
Increase / (Decrease) in Trade Payables & Other Payables	(175.29)	173.42	(216.55)	199.89
Increase / (Decrease) in Provisions	98.01	56.59	98.01	54.40
Cash generated from the operations	1,435.25	295.91	1,449.46	323.91
Direct tax paid (net)	21.93	335.80	21.93	346.70
<b>Net Cash generated from/ (used in) Operating Activities "A"</b>	<b>1,413.32</b>	<b>(39.89)</b>	<b>1,427.53</b>	<b>(22.79)</b>
<b>B. Cash Flow from Investing Activities</b>				
Purchase of property, plant and equipment/ intangible assets (including capital work-in-progress)	(1,651.99)	(621.13)	(1,653.51)	(622.44)
Proceeds from sale of property, plant and equipment	7.31	2.61	7.31	2.61
Investments in bank deposits (net)	(16.89)	95.12	(16.89)	95.12
Interest Received	6.83	12.16	6.83	12.16
Dividend Income	0.12	0.12	0.12	0.12
<b>Net Cash used in Investing Activities "B"</b>	<b>(1,654.62)</b>	<b>(511.12)</b>	<b>(1,656.13)</b>	<b>(512.43)</b>
<b>C. Cash Flow from Financing Activities</b>				
Proceeds /(repayment) of long term borrowings	491.51	224.30	481.51	224.30
Proceeds /(repayment) of short term borrowings	361.52	810.48	361.52	810.48
Dividend Distribution Tax	(67.52)	(94.52)	(67.52)	(94.52)
Finance costs paid	(529.92)	(362.82)	(529.92)	(364.09)
<b>Net Cash generated from Financing Activities "C"</b>	<b>255.59</b>	<b>577.44</b>	<b>245.59</b>	<b>576.17</b>
<b>Net Increase in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>14.29</b>	<b>26.42</b>	<b>16.99</b>	<b>40.95</b>
Cash & Cash equivalent at the beginning of the year	32.58	6.16	50.76	9.81
<b>Cash &amp; Cash equivalent as at end of the Year</b>	<b>46.87</b>	<b>32.58</b>	<b>67.78</b>	<b>50.76</b>



- Notes**
- 1 The above audited results were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on July 13, 2020.
  - 2 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.
  - 3 The Group/Company has adopted Ind AS 116 "Leases" effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard) Amendment Rules, 2019. The adoption of this Standard does not have any impact on the loss for the current quarter & year ended March 31, 2020 and also on the opening reserves.
  - 4 Due to the outbreak of Pandemic 'Novel Coronavirus' ("COVID - 2019") and consequent Lockdown announced by the Centre and State Governments on 23rd March, 2020, the Company had temporarily suspended operations at its manufacturing unit situated at Pune, Maharashtra. The Company have commenced operations at plant w.e.f. June 8, 2020. The Company is taking various precautionary measures to protect employees from COVID-2019. The management has considered the possible effects, that may interalia, impact the carrying amounts of capital work in progress, goodwill, deferred tax assets, inventories and trade receivables. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, the Management will continue to closely monitor any material changes to future economic conditions and take necessary measures to address the situation.  
  
The Company is in the process of shifting its manufacturing unit from Kasarwadi to Chakan, Pune, which got affected by the said pandemic. For Chakan plant, the Company has taken the Building on lease from its associate. The Company is in process of entering into an agreement with the said associate and also obtaining approvals from concerned authorities. As on the balance sheet date, the Company has incurred Rs. 1,889.60 lakhs on Lease hold improvements under construction and Property, plant and equipment under installation which have been disclosed as Capital work in progress. The lease expense would be accounted from the date of execution of the formal agreement .  
  
Uptill quarter ended December 31, 2019, the Company has provided accelerated depreciation on its assets located at Kasrwadi plant over the balance period of 12 months which has now been extended to 17 months i.e. August, 2020, in view of delay in shifting due to pandemic. The accelerated depreciation has resulted in lower depreciation of Rs.28.42 Lakhs for the quarter ended 31st March, 2020 and high depreciation by Rs. 68.21 Lakhs for the year ended March 31, 2020.
  - 5 The figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter for the relevant financial year which were subjected to limited review by the statutory auditors.
  - 6 Previous quarter / year's figures have been regrouped to conform to current quarter / year's presentation.

For and on behalf of the Board of Directors

Place : Mumbai  
Date : July 13, 2020



N S Marshall  
Managing Director  
DIN : 00085754

**INDEPENDENT AUDITOR'S REPORT**

To The Board of Directors of  
**Simmonds Marshall Limited**

**Report on the audit of the Standalone Financial Results****Opinion**

We have audited the accompanying standalone financial results of **Simmonds Marshall Limited** ('the Company') for the quarter and year ended 31<sup>st</sup> March, 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the quarter and year ended 31<sup>st</sup> March, 2020.

**Basis for Opinion**

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 the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial results 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 Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter**

We draw your attention to Note 4 of the financial results, with regard to management's assessment about the impact on Company's operations due to COVID 19 pandemic outbreak and lockdown. The management apart from considering the internal and external information up to the date of approval of these financial statements, the Company has also performed sensitivity analysis on the assumptions used inter alia including in respect of realisability of inventories of Rs.6,154.44 lakhs, recoverability of trade receivables of Rs.1,733.59 lakhs and impairment of capital work-in-progress of Rs. 1,889.60 lakhs, good will of Rs.267.30 lakhs & utilization of deferred tax assets of Rs.162.21 lakhs, and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all these assets.



The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, the Management will continue to closely monitor any material changes to future economic conditions. Our report is not modified in respect of this matter.

#### **Management's Responsibilities for the Financial Results**

These quarterly standalone financial results have been prepared on the basis of the annual standalone financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the applicable 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 of 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 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 financial results that give a true and fair view and are 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 Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are 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 these 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 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. Under section 143(3(i)) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 Company's ability 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 standalone financial results 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 standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 financial statements.

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.

**Other Matters:**

- (i) On account of the Covid 19 related lockdown restrictions, Management was not able to perform the year end physical verification of inventories. Consequently, we have performed alternative audit procedures to audit existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific consideration to Selected Items" which includes, roll back procedures and their supporting documents relating to purchases, production and sales and have obtained sufficient audit evidence to issue our unmodified opinion on these standalone financial results.
- (ii) On account of the Covid 19 related lockdown restrictions, Management was not able to perform the year end physical verification of Property, plant and equipment and Capital work-in-progress. As informed by the management there won't be a material difference as an when physical verification would be carried out.



(iii) The standalone Financial Results include the results for the quarter ended 31<sup>st</sup> March, 2020 and corresponding quarter ended of the previous year being the balancing figure between audited figures in respect of full standalone financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year which were subject to limited review by us.

Our opinion is not modified in respect of these matters.

For Lodha and Company  
Chartered Accountants,  
Firm Registration No. - 301051E



Place: Mumbai  
Date: 13<sup>th</sup> July, 2020

*R. P. Baradiya*

R. P. Baradiya  
Partner  
Membership No. 44101  
UDIN: 20044101AAAAEI3505

**INDEPENDENT AUDITOR'S REPORT**

To  
The Board of Directors of **Simmonds Marshall Limited**

**Report on the Audit of the Consolidated Financial Results**

We have audited the accompanying consolidated financial results of **Simmonds Marshall Limited (hereinafter referred to as the "Holding Company")**, its subsidiary and an associate (the Holding Company, its subsidiary and an associate together referred to as "the Group") for the quarter and year ended 31<sup>st</sup> March, 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial results of the subsidiary and associate, the aforesaid consolidated financial results:

- a. include the financial results of **Stud India (partnership firm)**, a subsidiary and **Formex Private Limited**, an associate ;
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard and
- c. give a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Group for the quarter and year ended 31<sup>st</sup> March, 2020.

**Basis for Opinion**

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 the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter**

We draw your attention to Note 4 of the financial results, with regard to management's assessment about the impact on Group's operations due to COVID 19 pandemic outbreak and lockdown. The management apart from considering the internal and external information up to the date of approval of these financial statements, the Group has also performed sensitivity analysis on the assumptions used interalia including in respect of realisability of inventories of



Rs.6,468.47 lakhs, recoverability of trade receivables of Rs.1,922.09 lakhs, impairment of capital work-in-progress of Rs. 1,889.60 lakhs and good will of Rs.267.30 lakhs and reversal of deferred tax assets of Rs.179.30 lakhs, and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of all these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, the Management will continue to monitor any material changes to future economic conditions.

Our report is not modified in respect of this matter.

### **Board of Directors' Responsibilities for the Consolidated Financial Results**

These quarterly and yearly consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group in accordance with 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. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 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 consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are 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 these consolidated 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 consolidated 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 Group 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 consolidated financial results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within in the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company, subsidiary and an associate included in the consolidated financial results of which we are the Independent auditors 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 or by the respective auditor. 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.



We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations as amended, to the extent applicable.

**Other Matters:**

- (i) a) The consolidated Financial Results include the audited financial results of a subsidiary, whose financial statements reflect total assets of Rs. 263.82 lakhs as at 31 March, 2020, total revenues of Rs. 238.69 lakhs and Rs. 1,013.27 lakhs, net loss after other comprehensive income of Rs. 18.34 lakhs and Rs. 51.64 lakhs for the quarter ended 31<sup>st</sup> March, 2020 and for year ended 31<sup>st</sup> March, 2020 respectively and cash inflow of Rs. 2.73 lakhs, as considered in the consolidated financial results which have been audited by other auditor. The Independent auditors' reports on financial results of this entity has been furnished to us, and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
- b) We did not review the financial results of an associate included in the consolidated financial statements, whose financial statements reflect net loss and total comprehensive income of Rs.18.11 lakhs and Rs. 4.30 lakhs (represents Group's share) for the quarter ended 31<sup>st</sup> March, 2020 and for the year ended 31<sup>st</sup> March, 2020, respectively. The Independent auditors' reports on financial results of this entity has been furnished to us, and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
- Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
- (ii) On account of the Covid 19 related lockdown restrictions, Management was not able to perform the year end physical verification of inventories. Consequently, we have performed alternative audit procedures to audit existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific consideration to Selected Items" which includes, roll back procedures and their supporting documents relating to purchases, production and sales and have obtained sufficient audit evidence to issue our unmodified opinion on these consolidated financial results.
- (iii) On account of the Covid 19 related lockdown restrictions, Management was not able to perform the physical verification of Property, plant and equipment and Capital work-in-progress. As informed by the Management, there won't be a material difference as an when physical verification would be carried out.



- (iv) The Consolidated Financial Results include the results for the quarter ended 31<sup>st</sup> March, 2020 being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our opinion is not modified in respect of these matters.



Place: Mumbai  
Date: 13<sup>th</sup> July, 2020

For Lodha and Company  
Chartered Accountants,  
Firm Registration No. - 301051E

A handwritten signature in black ink, appearing to read "R. P. Baradiya".

R. P. Baradiya  
Partner  
Membership No. 44101  
UDIN : 20044101AAAAEJ3106



# SIMMONDS MARSHALL LIMITED

**Regd. Office & Factory :**

Mumbai-Pune Road, Kasarwadi, Pune 411 034,

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Fax : (91-020) 3078-2195

E-Mail : [smlpune@simmondsmarshall.com](mailto:smlpune@simmondsmarshall.com)

CIN : L29299PN1960PLC011645

**Admn. & Sales Office :**

Apeejay Chambers, 5, Wallace Street, Mumbai-400 001,

Tel. : (91-022) 6633-7425 / 6633-7426 / 6633-7427

Fax : (91-022) 6633-7433 / 6633-7434

E-Mail : [sales@simmondsmarshall.com](mailto:sales@simmondsmarshall.com)

Website : [www.simmondsmarshall.com](http://www.simmondsmarshall.com)

Date: July 13, 2020

To  
BSE Limited,  
Corporate Relationship Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Reg: Security Code No. 507998

Sub: Declaration pursuant to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir / Ma'am,

Pursuant to the provision of Regulation 33 (3) (d) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI Notification No. SEBI / LAD-NRO / GN / 2016-17 / 001 dated May 25, 2016 read with SEBI Circular No. CIR / CFD / CMD / 56 / 2016 dated May 27, 2016; we hereby declared that the Statutory Auditors of the Company M/s. Lodha & Co, Chartered Accountants, Mumbai (Firm Registration No. 301051E) have issued the Audit Reports with Unmodified Opinion in respect of the Audited Financial Results (Standalone & Consolidated) for the quarter & year ended on March 31, 2020.

Kindly take the same on your record.

Thanking you,

For SIMMONDS MARSHALL LIMITED

N. S. MARSHALL  
MANAGING DIRECTOR  
(DIN: 00085754)



IATF No. 0096543  
ISO/TS 16949:2009



ISO 14001:2004  
Reg. No. 8302-E