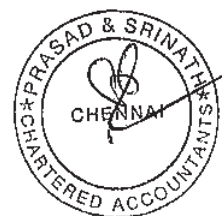


Sanmar Engineering Services Limited
 Regd. Office: 9, Cathedral Road, Chennai 600 086
 CIN: U65993TN1995PLC030445 Website: www.sesl.co.in
 Phone: +91 44 2812 8722 / +91 44 2812 8724 Fax: +91 44 2811 2627

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE HALF-YEAR ENDED SEPTEMBER 30, 2017

(Rs. Lakhs)

Particulars		Half year ended 30-09-2017	Half year ended 30-09-2016	Full year ended 31-03-2017
		(Unaudited)	(Unaudited) (Refer Note 2)	(Unaudited) (Refer Note 2)
1	Revenue			
(a)	Revenue from operations	902	234	646
(b)	Other income	24	232	558
	Total Income	926	466	1204
2	Expenses			
(a)	Cost of materials and services consumed	750	62	229
(b)	Employee benefits expense	102	86	187
(c)	Other expenses	66	154	190
(d)	Depreciation and amortisation expense	0	0	0
(e)	Finance costs	12764	15024	27350
	Total Expenses	13682	15325	27957
	Profit / (Loss) before tax	-12755	-14859	-26753
3	Tax expense:			
(a)	Current Tax	0	0	0
(b)	Deferred Tax	0	0	0
	Profit / (Loss) after tax	-12755	-14859	-26753
4	Other Comprehensive Income:			
(a)	Items that will not be reclassified to Profit or Loss in subsequent periods			
	- Remeasurement of Defined Benefit Plans	-1	-1	-3
	- Income tax expense relating to above items	0	0	0
	Total Other Comprehensive Income	-1	-1	-3
	Total Comprehensive Income	-12756	-14859	-26756
5	Paid up Equity share capital (Face value Rs. 10 per share)	76	76	76
6	Paid up Debt capital	321020	321020	321020
7	Reserves excluding Revaluation Reserves	-76670	-52017	-63914
8	Networth	-76594	-51941	-63838
9	Debenture Redemption Reserve	0	0	0
10	Earnings Per Share (Rs per share)	-1685	-2027	-3577
11	Debt Equity Ratio	-4.19	-6.18	-5.03
12	Debt Service Coverage Ratio	0.00	0.01	0.02
13	Interest Service Coverage Ratio	0.00	0.01	0.02

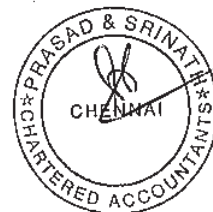
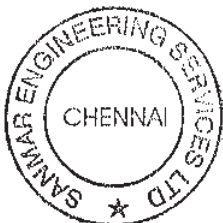


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STATEMENT OF UNAUDITED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

		(Rs. Lakhs)	
Sl. No.	Particulars	As at September 30, 2017	As at March 31, 2017
		(Unaudited)	(Unaudited) (Refer Note 2)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	0	0
	Financial Assets		
	(i) Investments	268,898	272,061
	(ii) Other Financial Assets	2	1
		268,898	272,062
2	Current assets		
	Inventories		
	Financial Assets		
	(i) Investments	120	0
	(ii) Trade Receivables	498	267
	(iii) Cash and cash equivalents	24	306
	(vi) Others Financial Assets	189	646
	Current Tax Assets	228	200
	Other current assets	106	11
		1,185	1,429
	Total assets	270,163	273,491
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity Share capital	76	76
	Other Equity	-76,670	-63,914
	Total equity	-76,594	-63,838
	Liabilities		
2	Non-current liabilities		
	Financial Liabilities		
	(i) Borrowings	320,302	320,266
	(ii) Other Financial Liabilities	25,479	15,974
	Other non-current liability	137	137
		345,918	336,377
3	Current liabilities		
	Financial Liabilities		
	(i) Trade Payables	532	105
	(ii) Other financial liabilities	197	688
	Other current liabilities	105	174
	Current Tax Liability	5	5
		839	952
	Total liabilities	346,757	337,329
	Total equity and liabilities	270,163	273,491

Notes

- The above half yearly financial results were reviewed and approved by the Board of Directors at their meeting held on November 14, 2017.
- The Company adopted Indian Accounting Standards (Ind AS) from the financial year beginning 1-4-2017 and this financial result for the half year ended 30-9-2017 is prepared in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of SEBI circular No.CIR/MD/DF1/89/2016 dated 10-8-2016. The financial results for the half year ended 30-9-2016, full year ended 31-03-2017 and Balance Sheet as at 31-03-2017 are restated under Ind AS and have not been subjected to limited review/audit by the Statutory auditors of the company. However the management has exercised necessary due diligence to ensure that these financial results provide a true and fair view of the Company's affairs.



3. Reconciliation of Profit / (Loss) and Reserve between IND AS and Previous Indian GAAP for earlier periods and as at March 31, 2017

Sl. No.	Nature of adjustments	Profit Reconciliation		Reserve Reconciliation
		Half year ended	Full year ended	As at
		30-09-2016	31-03-2017	March 31, 2017
	Net Profit before OCI / Reserves as per Previous Indian GAAP	-14,899	-26,811	-63,969
1	Decrease in borrowing cost pursuant to application of Effective Interest Rate on upfront fees paid	38	55	55
2	Actuarial loss on Defined Benefit plans reclassified to OCI	1	3	0
3	Impact on reinstating the non-current provisions/liabilities at present value	-0	-0	1
	Total	39	58	56
	Net Profit before OCI / Reserves as per IND AS	-14,859	-26,753	-63,913

4. The Company has considered business segment as the primary segment. The business activities reflected in the financial statements comprise of sale and repair, testing and reconditioning service of mechanical seals & safety valves. Accordingly, there is no separate reportable primary business segment as per IND AS 108 (Operating Segments)
5. The Company has not created debenture redemption reserve as the Company has not made net profit for the period ended September 30, 2017.
6. Paid-up debt capital as on September 30, 2017, represents redeemable non convertible debentures issued and term loan taken from financial institution.
7. There is no investors' grievances pending or received during the period under review.
8. Debentures issued, allotted and listed in the wholesale debt market segment of BSE Limited during the previous period.
- 19,902 principal protected fully redeemable non convertible secured debentures of face value of Rs 10 lacs each, aggregating to Rs 1990.2 crores (NCDs) (INE678Q07038)
- The interest on the NCDs is payable on the redemption date i.e. on April 22, 2023.
- Asset cover exceeds 100% of the principal amount of the NCDs.
9. The Company was given credit rating of "BWR BBB-" from M/s Brickwork Ratings India Pvt. Ltd.
10. Formulae for computation of ratios are as follows:

Debt Service Coverage Ratio = $\frac{\text{Earnings before interest and tax}}{\text{Interest Expense} + \text{Principal Repayments made during the period for long-term loans}}$

Interest Service Coverage Ratio = $\frac{\text{Earnings before interest and tax}}{\text{Interest Expense}}$

Debt Equity Ratio = $\frac{\text{Total Debt}}{\text{Equity Inclusive of retained earnings}}$

Net worth = Total assets less its current liabilities, long term debt, and Miscellaneous expenses

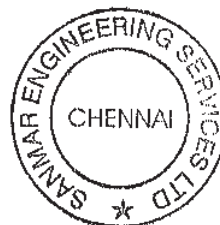
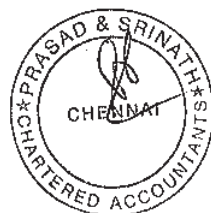
11. The Statutory auditor has provided a limited review report with unmodified opinion on the statement of financial results for the half year ended September 30, 2017.
12. The previous period figures have been re-grouped / restated wherever necessary.

For Sanmar Engineering Services Limited

P. S. Jayaraman

P. S. Jayaraman
Chairman & CEO
DIN: 00011108

Place : Chennai
Date : November 14, 2017



Independent Auditors' Review Report

To the Board of Directors of

Sanmar Engineering Services Limited

9, Cathedral Road, Chennai 600 086

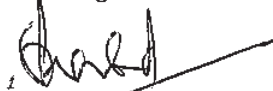
[Pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) (Regulations 2015)]

1. We have reviewed the accompanying Statement of Financial Results of Sanmar Engineering Services Limited ("the Company") for the half year ended 30th September 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which are in accordance with the Accounting Standards 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 in accordance with the Standards 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. Those Standards require that we plan and perform the review to obtain moderate assurance about whether the Statement is free from 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 Accounting Standards notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement in respect of income recognition, asset classification, provisioning and other related matters.
4. The Statement includes the results for the previous half year ended September 30, 2016 and year ended March 31, 2017 which were not subject to audit/limited review by us and the same has been presented solely based on the information compiled by the Management.

For PRASAD & SRINATH

Chartered Accountants

Firm Registration No.005826S

**S PRASAD**

Partner

Membership No.12847

Place: Chennai

Date: November 14, 2017

