

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Snowman Logistics Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Snowman Logistics Limited (the 'Company') for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005


per Vishal Sharma

Partner

Membership No.: 096766

UDIN: 19096766A A A F W 8995

Place : Gurugram

Date : August 13, 2019



SNOWMAN LOGISTICS LIMITED

CIN: L15122MH1993PLC285633

Registered Office: Plot No. M8, Talaja Industrial Area, MIDC, Raigad, Navi Mumbai, Maharashtra - 410206

Previous Registered Office: SY. No. 36/1 Virgonagar, Old Madras Road, Bandapura Village, Bidarehalli Hobli, Bangalore - 560049

Tel:- +91 22 39272010

Fax:+91 80 3993 9500

Email: investorrelations@snowman.in

Website: www.snowman.in

Statement of Unaudited Financial Results for the Quarter ended June 30, 2019

Sr. No.	Particulars	(INR in lakhs excluding Earnings per share data)			
		Quarter Ended		Year Ended	
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Audited) Refer note 3	(Unaudited)	(Audited)
1.	Income				
	(a) Revenue from Operations	6,207.31	5,980.24	5,576.22	23,254.93
	(b) Other Income	84.88	147.05	25.72	324.89
	Total Income	6,292.19	6,127.29	5,601.94	23,579.82
2.	Expenses				
	(a) Operating expenses	2,968.80	2,824.56	2,747.39	11,183.30
	(b) Employee benefits expense	638.33	504.60	607.59	2,303.91
	(c) Finance costs	519.28	225.68	286.60	1,027.83
	(d) Depreciation and amortisation expense	1,231.40	1,043.72	1,021.20	4,109.80
	(e) Other expenses	974.68	983.72	851.80	3,868.83
	Total Expenses	6,332.49	5,582.28	5,514.58	22,493.67
3.	Profit/(Loss) from Operations before exceptional Items and tax (1-2)	(40.30)	545.01	87.36	1,086.15
4.	Exceptional Items	-	-	-	-
5.	Profit/(Loss) before Tax (3-4)	(40.30)	545.01	87.36	1,086.15
6.	Tax Expense				
	a. Current tax	8.44	(79.40)	13.53	32.00
	b. Deferred tax	850.32	82.41	-	82.41
	Total Tax Expense	858.76	3.01	13.53	114.41
7.	Net Profit/(Loss) after tax for the period (5-6)	(899.06)	542.00	73.83	971.74
8.	Other comprehensive income, net of taxes Items that will not be reclassified to profit or loss	7.65	(7.10)	4.34	4.63
9.	Total comprehensive income/(loss) for the period, net of taxes (7+8)	(891.41)	534.90	78.17	976.37
10.	Paid-up Equity Share Capital (Face Value INR 10 each per equity share)	16,708.80	16,708.80	16,708.80	16,708.80
11.	Other Equity excluding Revaluation Reserves as per the audited balance sheet of previous year	-	-	-	26,795.44
12.	Earnings/(Loss) Per Share of INR 10 each	Not Annualised	Not Annualised	Not Annualised	Annualised
	- Basic INR	(0.54)	0.32	0.04	0.58
	- Diluted INR	(0.54)	0.32	0.04	0.58
	See accompanying note to the financial results				



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Statement of Unaudited Financial Results for the Quarter ended June 30, 2019**Notes:**

1. The above financial results for the quarter ended June 30, 2019, have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective meetings held on Aug 13, 2019. The Statutory Auditors have conducted a "Limited Review" of these results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The financial results have been prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant amendments thereafter.
3. The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures for the full financial year ended March 31, 2019 and unaudited figures for the nine months ended December 31, 2018.
4. The Company has adopted modified retrospective approach as per para C8(c)(ii) of IND AS 116 - "Leases" for its land taken on leases, effective from the annual reporting period beginning April 1, 2019. This has resulted in recognizing a right of use assets (an amount equal to the lease liability, adjusted by prepaid and accrued lease payments) of INR 13,202.38 lakhs as at April 1, 2019. In the statement of profit and loss for the current period, operating lease expenses has been changed from rent to depreciation charge for the right of use assets and finance cost for interest accrued on lease liability. To this extent performance for the current period ending June 30, 2019 is not comparable with the previous period results.

Reconciliation for the effects of the transition on statement of profit and loss for the quarter ended June 30, 2019 are as follows:

Adjustment to increase/(decrease) in profit before tax	Quarter ended June 30, 2019 comparable basis	Changes due to Ind AS 116 increase/(decrease)	Quarter ended June 30, 2019 as reported
Operating expenses	3,296.80	(328.00)	2,968.80
Finance cost	213.81	305.47	519.28
Depreciation and amortisation	996.40	235.00	1,231.40
Profit before tax	171.17	(212.47)	(40.30)

5. Employee Stock option details of the Company for the quarter ended June 30, 2019 are as follows:
 - (i) ESOP Grant I - No option were granted, vested, exercised and hence lapsed
 - (ii) ESOP Grant II - No option were granted, vested, exercised, and hence lapsed
 - (iii) ESOP Grant III - No option were granted, vested, exercised or lapsed
 - (iv) ESOP Grant IV - No option were granted, vested, exercised or lapsed
6. As per provision of Finance Act 2019, effective assessment year 2020-21 income tax rate applicable for companies having turnover below INR 40,000 lakhs has been reduced to 25% from 30% (excluding surcharge and cess) earlier. Due to the said reduction in income tax rate, the Company has reversed deferred tax assets by Rs 895 lakhs during the current quarter.



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Statement of Unaudited Financial Results for the Quarter ended June 30, 2019

7. Statement of segment information for the Quarter ended June 30, 2019

As per Ind AS 108 - Operating segments, the company has three reportable segments namely warehousing services, transportation services and consignment agency services :

Particulars	Quarter Ended			Year Ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	(Unaudited)	(Audited) Refer note 3	(Unaudited)	(Audited)
1. Segment Revenue				
(a) Warehousing services	3,771.93	4,003.97	3,779.36	15,649.32
(b) Transportation services	2,277.48	1,875.92	1,696.93	7,221.45
(c) Consignment agency services	157.90	100.35	99.93	384.16
Revenue from Operations	6,207.31	5,980.24	5,576.22	23,254.93
2. Segment Result				
(a) Warehousing services	465.07	1,250.75	884.54	4,054.85
(b) Transportation services	91.17	(10.02)	(111.70)	(384.81)
(c) Consignment agency services	44.08	(108.88)	57.37	52.84
Total (A)	600.32	1,131.85	830.21	3,722.88
Add: Other Income (B)	84.88	140.82	25.72	318.66
Less: Finance Cost (C)	213.81	225.68	286.60	1,027.83
Exceptional Items (D)	-	-	-	-
Other un-allocable expenditure (E)	511.69	501.98	481.97	1,927.56
Profit/(Loss) before Tax (A + B - C - D - E)	(40.30)	545.01	87.36	1,086.15
Segment Assets				
(a) Warehousing services	55,424.45	43,237.29	45,105.69	43,237.29
(b) Transportation services	4,250.05	4,293.90	4,910.29	4,293.90
(c) Consignment agency services	617.82	536.33	524.28	536.33
(d) Unallocated	7,345.57	8,102.26	8,119.51	8,102.26
Total assets	67,637.89	56,169.78	58,659.77	56,169.78
Segment Liabilities				
(a) Warehousing services	21,174.36	8,787.59	11,293.12	8,787.59
(b) Transportation services	1,180.46	1,316.80	1,783.72	1,316.80
(c) Consignment agency services	622.44	422.97	445.05	422.97
(d) Unallocated	2,047.80	2,138.18	2,531.07	2,138.18
Total liabilities	25,025.06	12,665.54	16,052.96	12,665.54

8. The figures for the previous periods have been reclassified/ regrouped, wherever necessary.

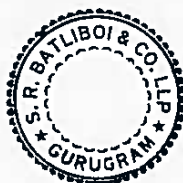
For and on behalf of the Board of Directors of
Snowman Logistics Limited

Prem Kishan Gupta

Prem Kishan Gupta
Chairman

Place: Mumbai

Date: August 13, 2019



Snowman Logistics Limited revenue up 11%, EBITDA up by 19% for the Quarter ended June 30th 2019; Adopts new accounting standard Ind-AS 116

Quarter Highlights

- Revenue up by 11% compared to the corresponding quarter last year
- EBITDA increased by 19% compared to the previous year
- Company adopted new accounting standard IND-AS 116

Bengaluru, 13th August 2019: During the quarter ended June 30, 2019, Snowman Logistics Ltd. recorded a revenue of INR. 62.07 Crores as against INR. 55.76 Crores for the same period in the previous year, registering a growth of 11%. EBITDA increased to INR. 16.25 Crores from INR. 13.69 Crores, due to an Ind-AS adjustment of INR. 3.28 crores, registering a 19% growth for the same period in the previous year. PAT decreased to INR (8.99) Crores from Profit of INR 0.74 Crores in the corresponding quarter of the previous year due to a onetime deferred tax asset reversal of INR (8.50 Cr) on account of reduction in tax rates in the finance bill presented in July 2019.

Effective April 1, 2019, the company has adopted new accounting standard Ind-AS 116 on Leases and the lease agreements with the landlords are covered under the same.

- i. The company has applied the standard to its leases by using Modified retrospective approach.
- ii. The company has recognized an asset of INR 138 Cr towards Right of Use (ROU). The ROU represents the equivalent amount of Lease Liability recognized under this standard.
- iii. The ROU asset is amortized over the remaining term of the lease on a Straight line basis under depreciation and amortization in the financials to the extent of 2.35 Cr. in the Q1, FY 20'.
- iv. During Q1 FY2019-20, the company has recognized INR 3.05 Cr. as Interest on Lease Liability.

W.e.f July 2019, the Finance Bill has revised applicable tax rate for companies having turnover below INR 400 Crores to 25% from 30%. This has resulted in a change of effective tax rate leading to a deferred tax impact of 8.95 Cr. which has been written off.

The impact of Ind-AS 116 & tax rate change is as below -

Impact of IndAS-116

Impact on	Ind AS 116	Ind AS 17	Increase/(Decrease)
EBITDA	16.25	12.97	3.28
PBT	(0.40)	1.72	(2.12)

Impact of Tax rate change

Impact on	Ind AS 116	Rate change	Net
Deferred tax	(0.45)	8.95	8.50

Commenting on the results, Mr. Prem Kishan Gupta, Chairman, Snowman Logistics Limited said, "We expect the economic growth to accelerate in the coming months, which will further fuel the consumption need resulting in an increase in demand for the movement of





temperature-controlled goods and warehousing solutions. Our outlook for the future is buoyant and we remain committed to continue investing in people, technology and allied resources, what we believe are the essential prerequisites for expanding in the cold chain business."

Speaking about the quarter performance, Sunil Nair, CEO, Snowman Logistics Limited said, *"Revenues have mainly increased due to increase in transportation business. In this Quarter, there has been increase in storage of pharmaceutical products and we have also started providing back end services to a large QSR chain. However, the overall warehousing business was affected on account of Fani Cyclone in the Company's facilities in the Eastern Region, specifically in the seafood industry. With the impact of Fani behind us, we expect seafood volumes to resume to normal levels in the coming months."*

About Snowman Logistics Limited

Snowman Logistics is the market leader in integrated temperature-controlled logistics services, catering to the varied cold chain logistical requirements of its clients, on a pan-India basis. With 31 strategically located temperature-controlled warehouses, having a total pallet capacity of 1,04,343 across 15 cities, including the key markets of Mumbai, Chennai, Bengaluru & Kolkata, Snowman caters to its comprehensive network of reputed clients, which source and consume temperature sensitive products in bulk amounts. They cater to various services like dairy products including butter and cheese, Canned food items, Poultry and meat, Seafood, Healthcare and pharmaceutical products.

Pallet Capacity- 1,04,343, No. Warehouses across the country- 31, No. of reefer vehicles - 293

