

August 10, 2018

To
The Secretary
Listing Department
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001
Symbol: SFL

The Manager,
The National Stock Exchange India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra(E), Mumbai-400051
Scrip Code: 540203

**Subject: Limited Reviewed unaudited Standalone and Consolidated Financial Results
for the quarter ended 30th June 2018**

Dear Sir/Madam

In terms of Regulations 30 and 33 and other applicable provisions of the SEBI(Listing Obligation and Disclosures Requirements) Regulations, 2015 read with related circulars and notifications, please find enclosed herewith, Limited Reviewed unaudited Standalone and Consolidated Financial Results for the quarter ended 30th June, 2018 as approved by the Board of Directors in its meeting held on August 10, 2018 at #14, Sector 135, Noida, which commenced at 10.30 A.M and concluded at **3.30 P.M.**

The limited review report submitted by the Auditors of the Company is enclosed with the Result.

The management update on quarterly results is also enclosed.

Thanking you.
Yours faithfully,

For Sheela Foam Limited



(Md. Iquebal Ahmad)
Company Secretary and Compliance Officer

SHEELA FOAM LIMITED

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SHEELA FOAM LIMITED

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CIN L74899DL1971PLC005679

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2018**

(Rs. in Crores)

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2018 (Unaudited)	March 31, 2018 (Audited)	June 30, 2017 (Unaudited)	March 31, 2018 (Audited)
1	Income				
	a) Revenue from operations*	425.64	449.21	386.43	1,695.66
	b) Other Income	7.20	7.78	6.36	24.97
	Total Income (a+b)	432.84	456.99	392.79	1,720.63
2	Expenses				
	a) Cost of materials consumed	237.26	267.16	192.08	925.39
	b) Excise duty on sales of products	-	-	39.13	39.13
	c) Purchases of stock-in-trade	7.18	12.69	10.04	40.23
	d) Other manufacturing expenses	16.28	16.41	19.43	67.83
	e) Change in inventories of finished goods, stock-in-process and stock-in-trade	(1.24)	(13.11)	(2.84)	(17.12)
	f) Employee benefits expense	28.04	25.98	24.68	100.83
	g) Finance costs	1.68	1.72	1.32	5.76
	h) Depreciation and amortisation expense	7.06	7.49	5.78	27.78
	i) Other expenses	89.67	93.42	64.40	348.30
	Total Expenses (a to i)	385.93	411.76	354.02	1,538.13
3	Profit before tax (1-2)	46.91	45.23	38.77	182.50
4	Tax expense				
	- Current quarter's tax	14.95	12.92	11.65	55.93
	- Earlier quarter / year's tax	(1.11)	-	-	-
	- Deferred tax	(0.38)	0.44	0.09	0.63
5	Net Profit after tax (3-4)	33.45	31.87	27.03	125.94
6	Other Comprehensive Income/(loss)				
	a) Re-measurements of the net defined benefit plans	(0.35)	(0.67)	(0.23)	(1.35)
	b) Income Tax Effect	0.11	0.27	0.07	0.47
	Other Comprehensive Income/(loss) for the period (a+b)	(0.24)	(0.40)	(0.16)	(0.88)
7	Total Comprehensive Income for the period (5+6)	33.21	31.47	26.87	125.06
8	Paid up Equity Share Capital Rs. 5/- each	24.39	24.39	24.39	24.39
9	Earning per share (EPS) of face value Rs. 5/- each (not annualised)				
	- Basic and Diluted	6.86	6.53	5.54	25.82

Notes: *Includes Excise duty & excludes freight, as detailed in note no 3

- The Audit Committee has reviewed and recommended the above results, and subsequently the Board of Directors have approved the same, in their respective meeting held on August 10, 2018.
- These 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.
- According to the requirement of Ind AS, revenue from operations for the quarter ended June 30, 2017 and year ended March 31, 2018 were reported inclusive of Excise Duty. However, with the implementation of Goods and Service Tax ("GST") w.e.f. July 01, 2017 replacing Excise Duty, Service Tax and various other indirect taxes and in accordance with Ind AS 115, the revenue from operations w.e.f. July 01, 2017 are reported net of GST. Further, freight prior to implementation of GST was recovered from the customers hence was reduced from 'Other Expenses' and after its implementation it forms part of Revenue from operations and corresponding expense on freight is included under the head 'Other Expenses'. Had the previously reported revenue from operations was shown net of excise duty and inclusive of freight, comparative revenue from operations of the Company would have been as under:

(Rs. In Crores)

Particulars	Quarter ended			Year ended
	June 30, 2018 (Unaudited)	March 31, 2018 (Audited)	June 30, 2017 (Unaudited)	March 31, 2018 (Audited)
Revenue from Operations	425.64	449.21	386.43	1,695.66
Less: Excise Duty	-	-	(39.13)	(39.13)
Add: Freight	-	-	10.29	10.29
Net Revenue from Operations (Net of Excise Duty & inclusive of Freight)	425.64	449.21	357.59	1,666.82

- 4 The Company is engaged in the manufacturing of the products of same type/class and has no overseas operations/units and as such there are no reportable segments as per Indian Accounting Standard for Operating Segments (Ind AS 108), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- 5 The figures of the quarter ended March 31, 2018 are the balancing figures between audited figures in respect of full financial year upto March 31, 2018 and the unaudited published year to date figures upto December 31, 2017, being the date of the end of the third quarter of the previous financial year which were subjected to limited review.
- 6 Ind AS 115 "Revenue from Contracts with Customers" is mandatory for reporting period beginning on or after April 01, 2018 and has replaced existing Ind AS related thereto. Under the modified retrospective approach, there were no significant adjustments required to be made to the retained earning as at April 01, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results for the quarter ended June 30, 2018.
- 7 Previous quarter / year's figures have been regrouped / restated wherever necessary.

For Sheela Foam Limited

(Rahul Gautam)
Managing Director

Place : Noida

Dated: August 10, 2018



S.P. CHOPRA & CO.
Chartered Accountants

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**INDEPENDENT AUDITORS' REVIEW REPORT ON
STANDALONE INTERIM FINANCIAL RESULTS**

The Board of Directors,
Sheela Foam Limited,
New Delhi.

1. We have reviewed the accompanying Statement of **Unaudited Standalone Financial Results** (the 'Statement') of **Sheela Foam Limited** (the 'Company') for the quarter ended June 30, 2018, being submitted by the Company pursuant to the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('the Regulation') read with the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there-under and other accounting principles generally accepted in India. Our responsibility is to issue a report on this Statement based on our review.
3. We conducted our review 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 of Unaudited Standalone Financial Results prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 to the extent applicable, read with the relevant rules issued thereunder 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 the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.P. Chopra & Co.
Chartered Accountants
ICAI Firm Regn. No. 000346N

(Pawan K. Gupta)
Partner
M. No. 092529

Place : New Delhi
Date : 10.08.2018



SHEELA FOAM LIMITED

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Corporate Office: 37/2 Site IV Sahibabad Industrial Area Ghaziabad-201010
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CIN L74899DL1971PLC005679

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2018**

(Rs. in Crores)

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
	a) Revenue from operations *	502.03	527.86	458.60	2,004.45
	b) Other Income	6.34	6.70	5.43	21.06
	Total Income (a+b)	508.37	534.56	464.03	2,025.51
2	Expenses				
	a) Cost of materials consumed	282.01	303.95	228.34	1,069.76
	b) Excise duty on sales of products	-	-	39.13	39.13
	c) Purchases of stock-in-trade	7.18	12.69	10.04	40.23
	d) Other manufacturing expenses	19.43	20.33	21.79	80.50
	e) Change in inventories of finished goods, stock-in-process and stock-in-trade	(7.21)	(13.36)	(3.95)	(15.53)
	f) Employee benefits expense	44.34	41.77	39.41	162.66
	g) Finance costs	2.35	2.30	2.21	8.67
	h) Depreciation and amortisation expense	9.14	9.58	7.53	35.24
	i) Other expenses	105.74	110.15	79.08	411.36
	Total Expenses (a to i)	462.98	487.41	423.58	1,832.02
3	Profit before tax (1-2)	45.39	47.15	40.45	193.49
4	Tax expense				
	- Current quarter's tax	14.40	14.33	12.19	58.93
	- Earlier quarter/year's tax	(1.11)	-	-	-
	- Deferred tax	(0.49)	0.66	0.09	0.85
5	Net Profit after tax (3-4)	32.59	32.16	28.17	133.71
6	Other Comprehensive Income/(loss)				
	a) Re-measurements of the net defined benefit plans	(0.35)	(0.67)	(0.23)	(1.35)
	b) Income tax effect	0.11	0.27	0.07	0.47
	c) Exchange differences on translation of foreign operations	0.29	(0.32)	(0.02)	0.31
	Other Comprehensive Income/(loss) for the period (a to c)	0.05	(0.72)	(0.18)	(0.57)
7	Total Comprehensive Income for the period (5+6)	32.64	31.44	27.99	133.14
8	Paid up Equity Share Capital Rs. 5/- each	24.39	24.39	24.39	24.39
9	Earning per share (EPS) of face value Rs. 5/- each (not annualised)	6.68	6.59	5.77	27.41
	- Basic and Diluted				

Notes: *Includes Excise duty & excludes freight, as detailed in note no 3

- The Audit Committee has reviewed and recommended the above consolidated results, and subsequently the Board of Directors have approved the same, in their respective meeting held on August 10, 2018.
- These consolidated 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.
- According to the requirement of Ind AS, revenue from operations for the quarter ended June 30, 2017 and year ended March 31, 2018 were reported inclusive of Excise Duty. However, with the implementation of Goods and Service Tax ("GST") w.e.f. July 01, 2017 replacing Excise Duty, Service Tax and various other indirect taxes and in accordance with Ind AS 115, the revenue from operations w.e.f. July 01, 2017 are reported net of GST. Further, freight prior to implementation of GST was recovered from the customers hence was reduced from 'Other Expenses' and after its implementation it forms part of Revenue from operations and corresponding expense on freight is included under the head 'Other Expenses'. Had the previously reported revenue from operations was shown net of excise duty and inclusive of freight, comparative revenue from operations of the Group would have been as under:

(Rs. in Crores)

Particulars	Quarter ended			Year ended
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Revenue from operations	502.03	527.86	458.60	2,004.45
Less: Excise Duty	-	-	(39.13)	(39.13)
Add: Freight	-	-	10.29	10.29
Net Revenue from Operations (Net of Excise Duty & inclusive of Freight)	502.03	527.86	429.76	1,975.61

4 Segment Reporting as per Indian Accounting Standard for Operating Segments (Ind AS 108), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder:

The Group has a single reportable segment which is given as below:

a) Geographical Segment:

The analysis of the geographical segment is based on the sales made within India and outside India by the Group is as under:

Particulars	Quarter ended			(Rs. in Crores)
	June 30, 2018	March 31, 2018	June 30, 2017	Year ended
	(Unaudited)	(Audited)	(Unaudited)	March 31, 2018
Income from operations - Within India	425.64	449.21	386.43	1,695.66
Income from operations - Outside India	76.39	78.65	72.17	308.79
Profit after tax:				
- Within India	33.31	31.87	27.04	125.94
- Outside India	(0.72)	0.29	1.13	7.77

5 The figures of the quarter ended March 31, 2018 are the balancing figures between audited figures in respect of full financial year upto March 31, 2018 and the unaudited published year to date figures upto December 31, 2017, being the date of the end of the third quarter of the previous financial year which were subjected to limited review.

6 Ind AS 115 "Revenue from Contracts with Customers" is mandatory for reporting period beginning on or after April 01, 2018 and has replaced existing Ind AS related thereto. Under the modified retrospective approach, there were no significant adjustments required to be made to the retained earning as at April 01, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results for the quarter ended June 30, 2018.

7 Previous quarter/year figures have been regrouped/restated wherever necessary.

For Sheela Foam Limited



(Rahul Gautam)
Managing Director

Place : Noida

Dated: August 10, 2018



S.P. CHOPRA & CO.
Chartered Accountants

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**INDEPENDENT AUDITORS' REVIEW REPORT ON
CONSOLIDATED INTERIM FINANCIAL RESULTS**

The Board of Directors,
Sheela Foam Limited,
New Delhi.

1. We have reviewed the accompanying Statement of **Unaudited Consolidated Financial Results** (the 'Statement') of **Sheela Foam Limited** (the 'Company') and its Subsidiary Companies (collectively referred to as 'Group') for the quarter ended June 30, 2018, being submitted by the Company pursuant to the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('the Regulation') read with the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').

These Consolidated Financial Results include the financial results of the following entities.

Name of Entity	Nature of relationship
Sheela Foam Limited	Parent Company
Joyce Foam Pty. Ltd. and its Controlling entities	100 % Foreign Subsidiary
Divya Software Solutions Private Limited	100% Indian Subsidiary
Sleepwell Enterprises Private Limited	100% Indian Subsidiary

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there-under and other accounting principles generally accepted in India. Our responsibility is to issue a report on this Statement based on our review.
3. We conducted our review 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Contd..p/2

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Consolidated Financial Results prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 to the extent applicable, read with the relevant rules issued thereunder 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 the SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the financial results of the two wholly owned subsidiaries namely Joyce Foam Pty. Ltd. and its Controlling entities and Divya Software Solutions Private Limited, whose financial results reflect total revenue and loss of Rs. 76.52 crores and Rs. 0.87 crores respectively for the quarter ended June, 30, 2018, as considered in the Consolidated Financial Results. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Company's Management and considered by us while giving our conclusion on the Consolidated Results of the Group.

S.P. Chopra & Co.
Chartered Accountants
ICAI Firm Regn. No. 000346N



(Pawan K. Gupta)
Partner
M. No. 092529

Place : New Delhi
Date : 10.08.2018

SHEELAFOAM LIMITED Q1 FY 19 RESULTS

As the Company has adopted IND AS w.e.f. 1.4.2017 and GST has been implemented w.e.f. 1.7.2017, Revenue figures have been adjusted for Excise and freight outward for corresponding quarter to make them comparable to current quarter figures.

During this quarter, Sheela Foam Limited posted Revenue from operations of Rs. 502 crores, compared to Rs. 430 crores of Q1FY 18, an increase of 17%. The EBITDA for Q1FY19 was Rs. 51 crores as compared to Rs. 44 crores of Q1FY18. Net profit for Q1FY19 was Rs. 33 crores as compared to Rs. 28 crores of Q1FY18.

During the qtr. the Revenue from operations on standalone basis increased from Rs. 358 crores of Q1FY 18 to Rs. 426 crores i.e. by 19%. The EBITDA also increased from Rs. 40 crores to Rs. 49 crores. The Net profit also increased from Rs. 27 crores to Rs. 33 crores.

The Revenue from operations from Australia increased from Rs. 72 crores to Rs. 76 crores. The EBITDA, however, went down from Rs. 4 crores to Rs. 2 crores. The EBITDA margins in Australia went down due to high TDI prices during the quarter.

Particulars (Rs.Cr.)	Q1FY19	GROWTH
REVENUE FROM OPERATIONS	502	17%
EBITDA	51	16%
EBITDA MARGIN-%	10%	
PROFIT AFTER TAX	33	18%

Other Updates:

1. **Raw Material Prices:** The price of TDI, one of the critical raw materials was Rs. 300 per kg at the beginning of the quarter, which initially went up to Rs. 310 per kg. At the end of qtr. the price was Rs. 295 per kg. These prices are further going down from July and at present the prices are Rs. 255 per kg.

2. **Impact of GST:** The GST is fully implemented including the E way Bill system. The Company has already launched its Economy Models Starlite and Feather Foam, to take share from unorganized market. During the quarter, the company sold around 54000 mattresses of these models. Though the shift from unorganized to organized is slow but stricter implementation and verifications is expected to hasten this process