

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

Particulars	Rs. in Crores					
	Quarter ended			Nine months ended		Year ended
	31-12-2019	30-09-2019	31-12-2018	31-12-2019	31-12-2018	31-03-2019
Unaudited	Unaudited	Unaudited <sup>S</sup>	Unaudited	Unaudited <sup>S</sup>	Audited <sup>S</sup>	
<b>1 Income</b>						
Revenue from operations						
(A) Revenue	670.33	741.03	979.38	2,316.94	2,882.43	3,840.72
(B) Other operating revenue (including income from export incentives)	22.47	25.79	39.46	88.03	103.54	149.50
Total revenue from operations (A) + (B)	692.80	766.82	1,018.84	2,404.97	2,985.97	3,990.22
Other income	8.42	7.36	1.98	16.87	24.53	29.67
<b>Total income</b>	<b>701.22</b>	<b>774.18</b>	<b>1,020.82</b>	<b>2,421.84</b>	<b>3,010.50</b>	<b>4,019.89</b>
<b>2 Expenses</b>						
Cost of materials consumed	273.88	271.10	444.76	948.35	1,313.29	1,740.75
Changes in inventories of finished goods and work-in-progress	12.16	61.32	(21.48)	49.61	(75.69)	(88.19)
Employee benefits expense	75.39	77.18	85.19	240.67	260.01	352.54
Finance costs	9.16	14.04	7.92	32.80	30.99	38.96
Depreciation and amortization expense	34.25	33.81	27.90	100.76	80.35	110.30
Other expenses	215.25	219.23	317.20	736.47	925.72	1,245.84
<b>Total expenses</b>	<b>620.09</b>	<b>676.68</b>	<b>861.49</b>	<b>2,108.66</b>	<b>2,534.67</b>	<b>3,400.20</b>
<b>3 Profit before tax (1-2)</b>	<b>81.13</b>	<b>97.50</b>	<b>159.33</b>	<b>313.18</b>	<b>475.83</b>	<b>619.69</b>
<b>4 Tax expense</b>						
a) Current tax	20.05	19.64	40.11	72.40	127.80	159.74
b) Deferred tax	(41.98)	6.79	7.69	(26.46)	19.19	23.76
<b>Total tax expense</b>	<b>(21.93)</b>	<b>26.43</b>	<b>47.80</b>	<b>45.94</b>	<b>146.99</b>	<b>183.50</b>
<b>5 Profit for the year (3-4)</b>	<b>103.06</b>	<b>71.07</b>	<b>111.53</b>	<b>267.24</b>	<b>328.84</b>	<b>436.19</b>
<b>6 Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss</b>						
(i) Re-measurement gains / (losses) on defined benefit plans	0.04	(4.31)	-	(4.25)	0.25	0.12
(ii) Fair value gains / (losses) on equity instruments	3.29	(13.78)	(1.60)	(8.80)	(2.15)	(2.78)
(iii) Income tax effect on above	(0.39)	2.82	1.76	2.38	1.76	2.49
<b>Total other comprehensive income</b>	<b>2.94</b>	<b>(15.27)</b>	<b>0.16</b>	<b>(10.67)</b>	<b>(0.14)</b>	<b>(0.17)</b>
<b>7 Total comprehensive income for the period (5+6)</b>	<b>106.00</b>	<b>55.80</b>	<b>111.69</b>	<b>256.57</b>	<b>328.70</b>	<b>436.02</b>
<b>8 Paid-up equity share capital (face value of Re 1/- each fully paid up)</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>
<b>9 Earnings per share (EPS) (face value of Re 1/- each)</b>						
(i) Basic (in Rs.) (not Annualised)	4.90	3.38	5.31	12.72	15.65	20.76*
(ii) Diluted (in Rs.) (not Annualised)	4.90	3.38	5.31	12.72	15.65	20.76*

S refer note 6

\* Annualised

## Sundram Fasteners Limited

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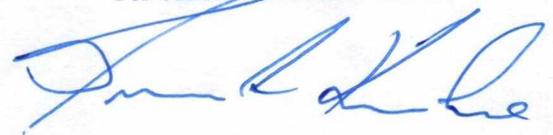
CIN : L35999TN1962PLC004943

### Notes:

- 1 The above standalone financial results were reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors in their respective meetings held on January 29, 2020. The Statutory Auditors have carried out a limited review for the quarter and nine months ended December 31, 2019 and have issued an unmodified report thereon.
- 2 The standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and SEBI Circular dated July 5, 2016.
- 3 The Company is engaged in manufacture and sale of bolts and nuts, water and oil pumps, sintered products, cold extruded components, hot and warm forged parts, radiator caps and other parts which largely have applications primarily in automobile industry and thus the Company has only one reportable segment.
- 4 **Standalone revenue from operations for the nine months ended December 31, 2019 includes exports of Rs. 863.34 crores (corresponding previous period - Rs. 1,027.15 crores). Other income for the nine months ended December 31, 2019 includes net foreign exchange gain of Rs. 9.77 crores (corresponding previous period - Rs. 17.75 crores).**
- 5 The Company has adopted Ind AS 116 on "Leases" with effect from April 1, 2019 using modified retrospective approach along with a transition option to recognise Right of use (ROU) asset at an amount equal to the lease liability. Accordingly, there is no impact of Ind AS 116 adoption to the retained earnings as at April 1, 2019 or the results reported for the quarter and nine months ended December 31, 2018 and year ended March 31, 2019. The Company has recognised Rs. 17.46 crores as ROU and corresponding lease liability for an equivalent amount on the date of transition. Further an amount of Rs. 34.92 crores towards prepaid operating lease rentals has been transferred from current/ non-current assets to ROU as on the date of transition. There is no material impact on profit after tax and earnings per share for the quarter and nine months ended December 31, 2019, on adoption of Ind AS 116.
- 6 The Scheme of Amalgamation of Sundram Precision Components Limited ('SPCL') (a wholly owned subsidiary), with the Company has been approved by the Chennai Bench of National Company Law Tribunal vide its order dated April 11, 2019, and on completion of the required formalities the Scheme has become effective. The merger has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations', and comparatives have been restated for merger from the beginning of the previous year i.e. April 1, 2018. Accordingly, results of SPCL have been included in all the periods of the standalone financial results presented. The difference between the investment in the financial statements of the Company in SPCL and the amount of paid-up share capital of SPCL has been adjusted against the reserves of the Company as on April 1, 2018.
- 7 Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, which is effective from April 1, 2019, domestic companies have the option to apply a lower income tax rate with effect from April 1, 2019 subject to certain conditions specified there in. The Company has exercised the above option in the current quarter and accordingly, it has recognised provision for income tax for the nine months ended December 31, 2019 and remeasured its deferred tax liability, based on the lower annual effective income tax rate.

Chennai  
January 29, 2020

For Sundram Fasteners Limited



Chairman

## STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

Particulars	Quarter ended			Nine months ended		Rs. in Crores
	31-12-2019	30-09-2019	31-12-2018 <sup>#</sup>	31-12-2019	31-12-2018 <sup>#</sup>	Year ended
	Unaudited					Audited
<b>1 Income</b>						
Revenue from operations						
(A) Revenue	799.35	861.11	1,111.04	2,796.74	3,304.17	4,396.06
(B) Other operating revenue (including income from export incentives)	23.15	28.07	45.81	95.58	111.56	161.84
Total revenue from operations (A) + (B)	822.50	889.18	1,156.85	2,892.32	3,415.73	4,557.90
Other income	12.44	5.88	1.85	22.92	21.93	26.80
<b>Total income</b>	<b>834.94</b>	<b>895.06</b>	<b>1,158.70</b>	<b>2,915.24</b>	<b>3,437.66</b>	<b>4,584.70</b>
<b>2 Expenses</b>						
Cost of materials consumed	320.39	314.80	497.24	1,125.79	1,476.04	1,954.03
Changes in inventories of finished goods and work-in-progress	13.65	63.04	(24.74)	60.85	(84.23)	(97.19)
Employee benefits expense	101.77	105.08	113.36	343.29	340.80	459.32
Finance costs	12.80	17.00	10.11	43.96	37.20	46.01
Depreciation and amortization expense	41.54	40.91	32.97	126.07	92.77	128.77
Other expenses	260.01	255.31	362.80	892.33	1,071.05	1,441.32
<b>Total expenses</b>	<b>750.16</b>	<b>796.14</b>	<b>991.74</b>	<b>2,592.29</b>	<b>2,933.63</b>	<b>3,932.26</b>
<b>3 Profit before tax (1-2)</b>	<b>84.78</b>	<b>98.92</b>	<b>166.96</b>	<b>322.95</b>	<b>504.03</b>	<b>652.44</b>
<b>4 Tax expense</b>						
a) Current tax	21.39	20.61	42.18	76.95	137.40	165.90
b) Deferred tax	(41.53)	6.98	8.26	(27.14)	20.46	27.57
<b>Total tax expense</b>	<b>(20.14)</b>	<b>27.59</b>	<b>50.44</b>	<b>49.81</b>	<b>157.86</b>	<b>193.47</b>
<b>5 Profit for the year (3-4)</b>	<b>104.92</b>	<b>71.33</b>	<b>116.52</b>	<b>273.14</b>	<b>346.17</b>	<b>458.97</b>
<b>6 Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss</b>						
(i) Re-measurement gains / (losses) on defined benefit plans	0.04	(4.31)	-	(4.25)	0.25	0.18
(ii) Fair value gains / (losses) on equity instruments	3.35	(13.87)	(1.62)	(8.84)	(2.26)	(2.95)
(iii) Income tax effect on above	(0.39)	2.82	1.76	2.38	1.76	2.53
<b>Items that will be reclassified to profit or loss</b>						
(i) Exchange differences on translation of foreign operations	6.55	(1.95)	0.52	3.12	0.44	3.40
(ii) Income tax effect on above	-	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>9.55</b>	<b>(17.31)</b>	<b>0.66</b>	<b>(7.59)</b>	<b>0.19</b>	<b>3.16</b>
<b>7 Total comprehensive income for the period (5+6)</b>	<b>114.47</b>	<b>54.02</b>	<b>117.18</b>	<b>265.55</b>	<b>346.36</b>	<b>462.13</b>
<b>8 Net profit attributable to</b>						
a) Owners of the Company	104.22	70.58	116.27	270.32	344.74	457.49
b) Non controlling interest	0.70	0.75	0.25	2.82	1.43	1.48
<b>9 Total comprehensive income attributable to</b>						
a) Owners of the Company	113.77	53.26	116.94	262.72	344.93	460.61
b) Non controlling interest	0.70	0.76	0.24	2.83	1.43	1.52
<b>10 Paid-up equity share capital (face value of Re 1 /- each fully paid up)</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>	<b>21.01</b>
<b>11 Earnings per share (EPS) (face value of Re 1 /- each)</b>						
(i) Basic (in Rs.) (not Annualised)	4.96	3.36	5.53	12.86	16.40	21.77*
(ii) Diluted (in Rs.) (not Annualised)	4.96	3.36	5.53	12.86	16.40	21.77*

# refer note 7

\* Annualised

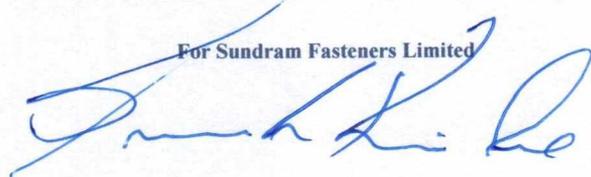
**CIN : L35999TN1962PLC004943**

**Notes:**

- 1 The above consolidated financial results were reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors in their respective meetings held on January 29, 2020. The Statutory Auditors have carried out a limited review for the quarter and nine months ended December 31, 2020 and have issued an unmodified report thereon.
- 2 The consolidated financial results include the financial results of Sundram Fasteners Limited (parent company) and the financial results of its subsidiaries and step down subsidiaries, TVS Upasana Limited, TVS Next Limited (formerly known as TVS Infotech Limited), Sundram Fasteners Investments Limited, Sundram Non-Conventional Energy Systems Limited, Sunfast TVS Limited, TVS Infotech Inc., USA, Cramlington Precision Forge Limited, UK, Sundram Fasteners (Zhejiang) Limited, Republic of China, Sundram International Inc., USA and Sundram International Limited, UK (together called as the "Group")
- 3 The consolidated financial results of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and SEBI Circular dated July 5, 2016.
- 4 **Consolidated revenue from operations for the nine months ended December 31, 2019 includes exports of Rs. 1,024.93 crores (corresponding previous period - Rs. 1,145.46 crores). Other income for the nine months ended December 31, 2019 includes net foreign exchange gain of Rs. 10.69 crores (corresponding previous period: Rs. 18.54 crores).**
- 5 The Group is engaged primarily in manufacture and sale of bolts and nuts, water and oil pumps, sintered products, cold extruded components, hot and warm forged parts, radiator caps and other parts which largely have applications in automobile industry and thus the Group has only one reportable segment.
- 6 The Group has adopted Ind AS 116 on "Leases" with effect from April 1, 2019 using modified retrospective approach along with a transition option to recognise Right of use (ROU) asset at an amount equal to the lease liability. Accordingly, there is no impact of Ind AS 116 adoption to the retained earnings as at April 1, 2019 or the results reported for the quarter and nine months ended December 31, 2018, and year ended March 31, 2019. The Group has recognised Rs. 37.23 crores as ROU and corresponding lease liability for an equivalent amount on the date of transition. Further an amount of Rs. 71.82 crores towards prepaid operating lease rentals has been transferred from current/ non-current assets to ROU as on the date of transition. There is no material impact on profit after tax and earnings per share for quarter and nine months ended December 31, 2019, on adoption of Ind AS 116.
- 7 The consolidated figures for corresponding quarter and nine months ended December 31, 2018, as reported in these financial results have been prepared by parent company, but have not been subject to review since the requirement of submission of quarterly consolidated financial results has become mandatory only from April 1, 2019.
- 8 The three foreign subsidiaries of the Group have financial years ending on December 31, whereas the parent company along with its domestic subsidiaries have the year end of March 31. During the current quarter, such foreign subsidiaries have aligned their financial year end with that of the parent company for consolidation purposes, eliminating a 3 month time lag for incorporating the results of such foreign subsidiaries with the consolidated financial results of the Group. As a result of this change, the consolidated financial results for the quarter ended June 30, 2019, half year ended September 30, 2019 and nine months ended December 31, 2019 also includes the financial results of such foreign subsidiaries for the period January 1, 2019 to March 31, 2019. This has resulted in increase in revenue from operations by Rs. 100.41 crores and reduction in profit after tax by Rs. 1.38 crores. For the corresponding quarter and nine months ended December 31, 2018, the consolidated financial results represents financial results of such foreign subsidiaries for the period July 1, 2018 to September 30, 2018 and January 1, 2018 to September 30, 2018 respectively.
- 9 Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, which is effective from April 1, 2019, domestic companies have the option to apply a lower income tax rate with effect from April 1, 2019 subject to certain conditions specified there in. The Company has exercised the above option in the current quarter and accordingly, it has recognised provision for income tax for the nine months ended December 31, 2019 and remeasured its deferred tax liability, based on the lower annual effective income tax rate.

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January 29, 2020

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