



Sundram Fasteners Limited

REGISTERED & CORPORATE OFFICE
98-A, VII FLOOR, DR. RADHAKRISHNAN SALAI, MYLAPORE, CHENNAI - 600 004, INDIA

PRESS RELEASE

Key Highlights for the year ended 31st March, 2019

Sundram Fasteners Ltd (Standalone) has registered its best ever performance in terms of revenue and profits during the year ended 31st March, 2019
Operating Revenue – Rs. 4,002.34 crores [Rs. 3,419.79 crores] an increase of 17%.
PBIDT – Rs.768.83 crores [Rs. 650.36 crores] an increase of 18.2% PBT – Rs.620.02 crores – [Rs. 519.73 crores] an increase of 19.3% PAT – Rs.437.12 crores – [Rs.367.47 crores] an increase of 18.9%
Dividend pay-out for the year – Rs. 5.10 per share (first interim dividend declared and paid Rs. 2.00 per share in November 2018 and second interim dividend of Rs. 3.10 per share declared in May 2019 by the Board of Directors [Rs. 4.60 per share for the financial year 2017-18])

The Company's operating revenue has crossed the milestone of Rs 4,000 crores mark for the first time at Rs. 4,002.34 crores[Rs. 3,419.79 crores].

Domestic sales, net of excise duties were at Rs.2,469.15 crores as against Rs.2,146.76 crores, an increase of 15%, on the back of increase in production of commercial vehicles. In the aftermarket, the company expanded the dealer network so as to increase the sales penetration in industrial segments which led to increase in aftermarket sales.

The export sales were at Rs.1,382.99 crores as against Rs. 1,168.14 crores, an increase of 18.4% due to volume growth accompanied by a favourable exchange rate movement.

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FY 2018-19 – Annual Performance

The Earnings before interest and depreciation was at Rs.768.83 crores (Rs.650.36 crores), an increase of 18.2%. The finance cost was at Rs. 38.96 crores (Rs. 32.56 crores). The competitive sourcing of funds has enabled the Company to contain its interest costs.



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The Net profit of the Company was at Rs.437.12 crores as against Rs.367.47 crores in the previous year, registering an increase of 18.9%.

The earning per share (EPS) for the year was at Rs. 20.80 per share against Rs. 17.49 per share in the previous year.

Consolidated financials

The company's consolidated revenues posted an increase of 18.2% for the year at Rs 4,557.90 crores (Rs. 3,854.91 crores). The consolidated net profit was at Rs 458.97 crores (Rs. 388.17 crores), an increase of 18.2%.

The consolidated earning per share (EPS) for the year was at Rs. 21.77 per share against Rs. 18.40 per share in the previous year.

Capital Expenditure

The Company incurred Rs 442 crores towards capital expenditure on existing and new projects. The capital expenditure was incurred in order to augment capacities for meeting the increase in volume of business and in tandem with production plans of key customers.

Unit at SEZ

While the SEZ Units I & II at Mahindra World City are fully operational, the Company has set up another SEZ Unit at Mahindra World City, (Unit III) which has commenced commercial production in January 2019. The unit manufactures and exports high-end parts forged and machined with close tolerances for cross-overs and mini trucks.

New project at Sri City, SEZ

The Company is in the process of setting up a new SEZ unit at Sri City, Andhra Pradesh, to manufacture high precision engineering components. It will be used as a hub to consolidate our foray into non-auto segment including off-road vehicles for export business.



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Incorporation of a wholly-owned subsidiary

The new Defence Procurement Policy has created an excellent opportunity for the Indian manufacturing companies. Two defence corridors have been announced one in Tamil Nadu and other in Uttar Pradesh.

To further SFL's growth in non-automotive segments, the company has incorporated a new wholly-owned subsidiary named "Sunfast TVS Limited" on April 8, 2019.

The new company will focus on the Aerospace and Defence segments. The company has orders for forged, cast and machined parts for all terrain and land systems vehicles for defence. The Company will also focus on parts for armoured vehicles and trucks. The Company will continue to grow SFL's existing business in space vehicles and helicopter components.

Transfer to General Reserve

The Company has transferred Rs 300 Crores to General Reserve.

Dividends

The Board had earlier during the year, declared an interim dividend of Rs. 2.00 per share (200%) and the same was paid in November 2018. The directors have decided to pay a second interim dividend of Rs. 3.10 per share (310%), which together with the interim dividend declared and paid earlier would amount to a total dividend pay-out of Rs. 5.10 per share (510%) for the financial year 2018-19.
