

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Rs. in Crores

Particulars	Quarter ended			Year ended	
	31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
	Audited	Unaudited	Audited [#]	Audited	Audited [#]
1 Income					
Revenue from operations					
(A) Revenue	701.56	670.33	958.29	3,018.50	3,840.72
(B) Other operating revenue (including income from export incentives)	18.04	22.47	45.96	106.07	149.50
Total revenue from operations (A) + (B)	719.60	692.80	1,004.25	3,124.57	3,990.22
Other income	3.57	8.42	5.14	20.44	29.67
Total income	723.17	701.22	1,009.39	3,145.01	4,019.89
2 Expenses					
Cost of materials consumed	296.44	273.88	427.46	1,244.79	1,740.75
Changes in inventories of finished goods and work-in-progress	0.27	12.16	(12.50)	49.88	(88.19)
Employee benefits expense	61.80	75.39	92.53	302.47	352.54
Finance costs	11.06	9.16	7.97	43.86	38.96
Depreciation and amortization expense	35.75	34.25	29.95	136.51	110.30
Other expenses	243.33	215.25	320.12	979.80	1,245.84
Total expenses	648.65	620.09	865.53	2,757.31	3,400.20
3 Profit before exceptional items and tax (1-2)	74.52	81.13	143.86	387.70	619.69
4 Exceptional item (refer note 11)	11.30	-	-	11.30	-
5 Profit before tax (3-4)	63.22	81.13	143.86	376.40	619.69
6 Tax expense					
a) Current tax	21.56	20.05	31.94	93.96	159.74
b) Deferred tax	(5.14)	(41.98)	4.57	(31.60)	23.76
Total tax expense	16.42	(21.93)	36.51	62.36	183.50
7 Profit for the year (5-6)	46.80	103.06	107.35	314.04	436.19
8 Other comprehensive income					
Items that will not be reclassified to profit or loss					
(i) Re-measurement gains / (losses) on defined benefit plans	3.02	0.04	(0.13)	(1.23)	0.12
(ii) Fair value (losses) / gains on equity instruments	(19.24)	3.29	(0.63)	(28.04)	(2.78)
(iii) Income tax effect on above	3.49	(0.39)	0.73	5.87	2.49
Total other comprehensive income	(12.73)	2.94	(0.03)	(23.40)	(0.17)
9 Total comprehensive income for the period (7+8)	34.07	106.00	107.32	290.64	436.02
10 Paid-up equity share capital (face value of Re 1 /- each fully paid up)	21.01	21.01	21.01	21.01	21.01
11 Earnings per share (EPS) (face value of Re 1 /- each)					
(i) Basic (in Rs.) (not Annualised)	2.23	4.90	5.11	14.95*	20.76*
(ii) Diluted (in Rs.) (not Annualised)	2.23	4.90	5.11	14.95*	20.76*

refer note 9

* Annualised

Notes:

1 Statement of assets and liabilities

Particulars	Rs. in Crores	
	As at 31-03-2020	As at 31-03-2019 [#]
	Audited	
ASSETS		
Non-current assets		
Property, plant and equipment	1,515.32	1,342.27
Capital work-in-progress	87.38	83.42
Investment property	0.41	0.44
Right of use assets	51.26	-
Intangible assets	3.78	4.51
Financial assets		
- Investments	310.19	350.12
- Loans	7.40	7.34
- Other financial assets	32.19	22.92
Other tax assets, net	30.64	22.24
Other non-current assets	70.75	123.28
	2,109.32	1,956.54
Current assets		
Inventories	492.92	560.42
Financial assets		
- Trade receivables	539.64	762.44
- Cash and cash equivalents	11.96	7.65
- Bank balances other than those mentioned in cash and cash equivalents	4.45	3.69
- Loans	6.09	6.81
- Other financial assets	4.44	4.60
Other current assets	62.70	94.20
	1,122.20	1,439.81
Total assets	3,231.52	3,396.35
EQUITY AND LIABILITIES		
Equity		
Equity share capital	21.01	21.01
Other equity	1,995.93	1,887.42
Total equity	2,016.94	1,908.43
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	226.17	207.48
- Lease liabilities	8.86	-
Provisions	6.92	8.78
Deferred tax liabilities, net	106.60	144.07
Other tax liabilities, net	7.88	7.88
	356.43	368.21
Current liabilities		
Financial liabilities		
- Borrowings	466.58	593.49
- Lease liabilities	4.55	-
- Trade payables		
Total outstanding dues of micro enterprises and small enterprises; and	18.15	9.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	277.64	371.38
- Other financial liabilities	63.86	118.78
Other current liabilities	6.27	5.75
Provisions	21.10	19.88
Other tax liabilities, net	-	0.75
	858.15	1,119.71
Total liabilities	1,214.58	1,487.92
Total equity and liabilities	3,231.52	3,396.35

refer note 9

Sundram Fasteners Limited

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Notes:
2 Statement of cash flows
Rs. in Crores

Particulars	Year ended	Year ended
	31-03-2020	31-03-2019 [#]
	Audited	
A. Cash flows from operating activities		
Profit before tax	376.40	619.69
Adjustments for:		
Depreciation and amortization expense	131.08	110.30
Amortisation of right of use assets	5.43	-
Provision for diminution in value of investments	12.49	-
Unrealised foreign exchange (gain)/loss, net	(2.68)	9.32
Mark to market loss on derivative instruments	6.21	-
Finance costs	43.86	38.96
Interest income	(3.05)	(2.11)
Dividend income	(3.22)	(6.80)
Loss on sale of property, plant and equipment, net	0.57	0.61
Financial guarantee income	(0.97)	(0.78)
Loss allowance on trade receivables	2.86	(1.12)
Amortization of leasehold land	-	0.22
Gains on sale of investment in mutual funds	(0.81)	(0.05)
	568.17	768.24
Adjustments for changes in working capital:		
Decrease / (increase) in inventories	67.51	(109.40)
Decrease / (increase) in financial assets	222.68	(95.35)
(Decrease) / increase in financial liabilities	(144.56)	37.91
Decrease / (increase) in other assets	51.32	(32.63)
Decrease in other liabilities and provisions	(1.34)	(1.87)
Cash generated from operating activities	763.78	566.90
Income taxes paid, net	(103.60)	(158.45)
Net cash from operating activities	660.18	408.45
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advances)	(306.11)	(495.36)
Purchase of right of use assets	(4.31)	-
Proceeds from sale of property, plant and equipment	0.76	0.58
Acquisition of investments	(1,192.96)	(127.86)
Proceeds from sale of investments	1,192.75	124.35
Dividend received	3.22	6.80
Interest received	2.76	3.04
Loans given to related parties	-	(5.67)
Net cash used in investing activities	(303.89)	(494.12)
C. Cash flow from financing activities		
(Repayment)/ proceeds from short - term borrowings, net	(126.91)	329.29
Repayment of long - term borrowings, net	-	(97.77)
Repayment of lease liabilities	(5.62)	-
Dividend paid (including dividend distribution tax)	(182.13)	(118.90)
Interest paid	(37.32)	(30.38)
Net cash (used in) / from financing activities	(351.98)	82.24
D. Net cash flows during the year (A + B + C)	4.31	(3.43)
E. Cash and cash equivalents at the beginning	7.65	11.08
F. Cash and cash equivalents at the end (D + E)	11.96	7.65

refer note 9

CIN : L35999TN1962PLC004943

Notes:

- 3 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 June 11, 2020. The Statutory Auditors have carried out an audit for the year ended March 31, 2020 and have issued an unqualified report thereon.
- 4 The figures for the quarter ended March 31, 2020 is the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures upto the end of the third quarter of the financial year ended March 31, 2020 which are subjected to limited review.
- 5 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.
- 6 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.
- 7 **Standalone revenue from operations for the year ended March 31, 2020 includes exports of Rs. 1,117.16 crores (corresponding previous period - Rs. 1,382.99 crores). Other income for the year ended March 31, 2020 includes net foreign exchange gain of Rs. 8.63 crores (corresponding previous period - Rs. 18.19 crores).**
- 8 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 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 year ended March 31, 2020, on adoption of Ind AS 116.
- 9 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.
- 10 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 therein. The Company has exercised the above option during the quarter ended December 31, 2019 and has recognized provision for income tax and re-measured its deferred tax liability for the year ended March 31, 2020 based on the lower income tax rate.
- 11 Exceptional item amounting to Rs. 11.30 crores in standalone financial results for the quarter and year ended March 31, 2020 represents provision recorded for impairment in respect of investments in certain overseas subsidiary, triggered by the changes in the business environment including the impact of the global COVID-19 pandemic.
- 12 In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. In view of the pandemic, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including, trade receivables, inventories and other current / non-current assets (net of provisions established) for any possible impact on the standalone financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its present assessment, this situation does not materially impact these standalone financial results. The Company will continue to closely monitor any material changes to future economic conditions.

Chennai
June 11, 2020

For Sundram Fasteners Limited

SURESH
KRISHNADigitally signed by SURESH KRISHNA
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Chairman

Sundram Fasteners Limited

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STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Rs. in Crores

Particulars	Quarter ended			Year ended	
	31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
	Audited [#]	Unaudited	Unaudited [@]	Audited	Audited
1 Income					
Revenue from operations					
(A) Revenue	808.47	799.35	1,091.89	3,605.21	4,396.06
(B) Other operating revenue (including income from export incentives)	22.44	23.15	50.28	118.02	161.84
Total revenue from operations (A) + (B)	830.91	822.50	1,142.17	3,723.23	4,557.90
Other income	5.17	12.44	2.46	28.09	26.80
Total income	836.08	834.94	1,144.63	3,751.32	4,584.70
2 Expenses					
Cost of materials consumed	342.74	320.39	477.99	1,468.53	1,954.03
Changes in inventories of finished goods and work-in-progress	(3.82)	13.65	(12.96)	57.03	(97.19)
Employee benefits expense	91.62	101.77	118.52	434.91	459.32
Finance costs	13.94	12.80	8.81	57.90	46.01
Depreciation and amortization expense	43.85	41.54	36.00	169.92	128.77
Other expenses	277.53	260.01	367.86	1,169.86	1,441.32
Total expenses	765.86	750.16	996.22	3,358.15	3,932.26
3 Profit before tax (1-2)	70.22	84.78	148.41	393.17	652.44
4 Tax expense					
a) Current tax	21.51	21.39	28.50	98.45	165.90
b) Deferred tax	(4.67)	(41.53)	7.11	(31.81)	27.57
Total tax expense	16.83	(20.14)	35.61	66.64	193.47
5 Profit for the year (3-4)	53.39	104.92	112.80	326.53	458.97
6 Other comprehensive income					
Items that will not be reclassified to profit or loss					
(i) Re-measurement gains / (losses) on defined benefit plans	2.56	0.04	(0.07)	(1.69)	0.18
(ii) Fair value (losses) / gains on equity instruments	(19.47)	3.35	(0.69)	(28.31)	(2.95)
(iii) Income tax effect on above	3.61	(0.39)	0.77	5.99	2.53
Items that will be reclassified to profit or loss					
(i) Exchange differences on translation of foreign operations	4.22	6.55	2.96	7.34	3.40
(ii) Income tax effect on above	-	-	-	-	-
Total other comprehensive income	(9.08)	9.55	2.97	(16.67)	3.16
7 Total comprehensive income for the period (5+6)	44.31	114.47	115.77	309.86	462.13
8 Net profit attributable to					
a) Owners of the Company	54.57	104.22	112.75	324.89	457.49
b) Non controlling interest	(1.18)	0.70	0.05	1.64	1.48
9 Total comprehensive income attributable to					
a) Owners of the Company	45.47	113.77	115.68	308.19	460.61
b) Non controlling interest	(1.16)	0.70	0.09	1.67	1.52
10 Paid-up equity share capital (face value of Re 1 /- each fully paid up)	21.01	21.01	21.01	21.01	21.01
11 Earnings per share (EPS) (face value of Re 1 /- each)					
(i) Basic (in Rs.) (not Annualised)	2.60	4.96	5.37	15.46*	21.77*
(ii) Diluted (in Rs.) (not Annualised)	2.60	4.96	5.37	15.46*	21.77*

refer note 4

@ refer note 5

* Annualised

Notes:

1 Statement of assets and liabilities

Particulars	Rs. in Crores	
	As at 31-03-2020	As at 31-03-2019
	Audited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	1,787.88	1,603.82
Capital work-in-progress	94.78	95.58
Investment property	8.27	8.44
Right of use assets	105.88	-
Goodwill	3.34	3.34
Intangible assets	4.15	5.07
Financial assets		
- Investments	35.93	65.63
- Loans	1.63	3.77
- Other financial assets	36.66	27.33
Deferred tax assets, net	1.43	0.62
Other tax assets, net	36.55	28.68
Other non-current assets	78.35	161.50
	2,194.85	2,003.78
Current assets		
Inventories	569.62	647.82
Financial assets		
- Investments	1.92	2.61
- Trade receivables	651.03	886.89
- Cash and cash equivalents	40.90	20.07
- Bank balances other than those mentioned in cash and cash equivalents	5.59	4.76
- Loans	0.44	1.15
- Other financial assets	11.99	5.14
Other tax assets, net	5.28	2.97
Other current assets	68.39	128.06
	1,355.16	1,699.47
Total assets	3,550.01	3,703.25
EQUITY AND LIABILITIES		
Equity		
Equity share capital	21.01	21.01
Other equity	1,974.91	1,848.96
Total equity attributable to owners of the Company	1,995.92	1,869.97
Non controlling interest	8.39	7.77
Total equity	2,004.31	1,877.74
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	325.03	339.63
- Lease liabilities	25.62	-
- Trade payables		
Total outstanding dues of micro enterprises and small enterprises; and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.70	1.38
Other financial liabilities	0.45	0.64
Provisions	10.58	11.02
Deferred tax liabilities, net	113.32	151.89
Other tax liabilities, net	7.88	7.88
	483.58	512.44
Current liabilities		
Financial liabilities		
- Borrowings	519.39	639.05
- Lease liabilities	5.99	-
- Trade payables		
Total outstanding dues of micro enterprises and small enterprises; and	19.46	9.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	365.62	477.32
- Other financial liabilities	117.13	152.43
Other current liabilities	8.96	8.71
Provisions	21.71	21.45
Other tax liabilities, net	3.86	4.43
	1,062.12	1,313.07
Total liabilities	1,545.70	1,825.51
Total equity and liabilities	3,550.01	3,703.25

Sundram Fasteners Limited

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Notes:

2 Statement of cash flows

Rs. in Crores

Particulars	Year ended	Year ended
	31-03-2020	31-03-2019
	Audited	Audited
A. Cash flows from operating activities		
Profit before tax	393.17	652.44
Adjustments for:		
Depreciation and amortization expense	161.89	128.77
Amortization of right of use assets	8.03	-
Unrealised foreign exchange (gain)/ loss, net	(3.90)	9.50
Provision for diminution in value of investment	1.19	-
Mark to market loss on derivative instruments	6.21	-
Finance costs	57.90	46.01
Interest income	(3.26)	(2.23)
Dividend income	(0.66)	(0.67)
Loss on sale of property, plant and equipment, net	0.77	1.18
Amortization of leasehold land	-	0.54
Gain on sale of investment in mutual funds	(0.81)	(0.05)
Fair value loss on financial instruments at fair value through profit or loss	0.69	0.92
	621.22	836.41
Adjustments for changes in working capital:		
Decrease / (increase) in inventories	81.02	(124.71)
Decrease / (increase) in financial assets	248.07	(100.22)
(Decrease) / increase in financial liabilities	(167.88)	60.83
Decrease / (increase) in other assets	48.32	(42.56)
Decrease in other liabilities and provisions	(6.04)	(1.57)
Cash generated from operating activities	824.71	628.18
Income taxes paid, net	(106.99)	(170.73)
Net cash from operating activities	717.72	457.45
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and capital advances)	(323.48)	(594.85)
Purchase of right of use assets	(4.31)	-
Proceeds from sale of property, plant and equipment	1.36	0.94
Acquisition of investments	(1,190.97)	(128.94)
Proceeds from sale of investments	1,192.75	124.49
Dividend received	0.66	0.67
Interest received	2.81	2.05
Deposits with banks (maturity more than 3 months but less than 12 months)	-	(0.25)
Net cash used in investing activities	(321.18)	(595.89)
C. Cash flow from financing activities		
Repayment of lease liabilities	(8.46)	-
(Repayment) / proceeds from short - term borrowings, net	(120.62)	387.48
Repayment of long - term borrowings, net	(14.01)	(99.89)
Dividend paid (including dividend distribution tax)	(184.35)	(121.52)
Interest paid	(49.31)	(39.33)
Net cash (used in) / from financing activities	(376.75)	126.74
D. Net cash flows during the year (A + B + C)	19.79	(11.70)
E. Cash and cash equivalents at the beginning	20.07	30.65
F. Effect of exchange differences on cash and cash equivalents held in foreign currency	1.04	1.12
G. Cash and cash equivalents at the end (D+ E+F)	40.90	20.07

