



Sundram Fasteners Limited

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National Stock Exchange of India Limited

Scrip Code - SUNDRMFAST

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051

By NEAPS

BSE Limited

Scrip Code - 500403

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001

By Listing Centre

Dear Sir/ Madam,

Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations, 2015)

Pursuant to Regulation 30 of the SEBI LODR Regulations, 2015, please find attached the paper clipping as published in the Business Line Newspaper dated May 16, 2023.

Kindly take the above information on record.

Thanking you,

Yours truly,

For SUNDRAM FASTENERS LIMITED

G Anand Babu

Manager – Finance & Company Secretary

Sundram Fasteners plans ₹1,000-cr capex as orders surge

G Balachandar
Chennai

Buoyed by a favourable growth outlook in both auto and non-auto segments, leading auto parts maker Sundram Fasteners Ltd has resumed its capex cycle and plans to invest ₹1,000 crore over a three-year period.

The proposed investment will be used to ramp up capacity to supply parts to the wind energy and electric vehicle (EV) segments as the order book continues to swell, the company said.

EV AS GROWTH ENGINE

“The last three years — FY20-FY22 — were muted for expansion as we took a pause in capex. But we resumed in FY23 and spent about ₹300 crore during the last fiscal, and are on course to spend the remaining ₹700 crore over the next two years,” R Dilip Ku-



mar, Chief Financial Officer, Sundram Fasteners, said during the Q4FY23 earnings call.

The company's EV business has been witnessing a surge in orders for parts meant for electric cars from both domestic and global OEMs.

Its EV order book now stands at \$375 million, and the company is expected to incur a capex of ₹300 crore (as part of the proposed ₹1,000 crore capex programme).

NON-AUTO BUSINESS

As part of its strategy to de-risk its overall business from cyclicity, Sundram Fasteners aims

to grow the share of the non-auto business to about 50 per cent of total revenue over the medium to long term.

“The wind energy space offers huge opportunities for growth. This business contributed about ₹200 crore to the top line in FY23. The management sees an opportunity to grow the revenue of this business to about ₹500 crore in the next few years,” Kumar told *businessline*.

As energy costs pose a big challenge to the company, it is trying to mitigate the impact of the cost rise by procuring power from captive power producers and sourcing more green energy.

Sundram Fasteners is also planning to invest in the group captive policy of the Tamil Nadu government to buy wind, solar or blended power from private producers to keep costs lower. “We are likely to invest about ₹25 crore in this area,” said Kumar.