

SL/BSE/NSE/17

10<sup>th</sup> August, 2017

|                                                                                                                                                                                  |                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Manager ,<br>Listing Department,<br><b>National Stock Exchange of India Ltd.,</b><br>'Exchange Plaza' C-1 , Block G,<br>Bandra-Kurla Complex, Bandra (E),<br>Mumbai-400 051. | Dy. General Manager,<br>Department of Corporate Services,<br><b>BSE LIMITED,</b><br>First Floor, P.J. Towers,<br>Dalal Street, Fort,<br>Mumbai – 400001. |
| <a href="mailto:cm1ist@nse.co.in">cm1ist@nse.co.in</a>                                                                                                                           | <a href="mailto:Corp.compliance@bseindia.com">Corp.compliance@bseindia.com</a>                                                                           |
| Security ID: SUBROS                                                                                                                                                              | Security ID: SUBROS                                                                                                                                      |

Dear Sir,

**Unaudited Quarterly Financial Results for the Quarter ended on 30<sup>th</sup> June, 2017**

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are pleased to submit the Unaudited Quarterly Financial Results for the Quarter ended on 30<sup>th</sup> June, 2017 duly reviewed by the Auditors and approved by the Board of Directors in their meeting held on 10<sup>th</sup> August, 2017.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
**SUBROS LIMITED**

(Rakesh Arora)  
Company Secretary



**Corporate & Regd. Office**  
Noida  
Works  
Manesar Unit  
Pune Unit

: LGF, World Trade Centre, Barakhamba Lane, New Delhi-110 001 (India)  
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: B-188 & C-51, Phase-II, Noida - 201304, P.O. NEPZ, Distt. Gautambudh Nagar (U.P.) (India)  
Phone : 0120-2562226, 2460135 Fax : 0120-2562783  
: Plot No. 395/396, Sector - 8, IMT Manesar, Gurgaon - 122051 (Haryana)  
Phone : 0124 - 2291764 ( 30 Lines ) Fax : 0124 - 2291835  
: B 8&9, MIDC-Chakan Industrial Area,(Chakan-Talegaon Road),Chakan,Pune-410501  
Phone : 02135 - 663131 Fax : 02135 - 663140

CIN :- L74899DL1985PLC020134



# SUBROS LIMITED

REGD. OFFICE : LGF, WORLD TRADE CENTRE, BARAKHAMBA LANE, NEW DELHI-110001

CIN :- L74899DL1985PLC020134; www.subros.com ; Email:rakesh.arora@subros.com

Tel: 011-23414946 Fax: 011-23414945

## STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2017

(Rs. In Lakhs)

| S. No. | Particulars                                                                      | Quarter ended                  |                                |
|--------|----------------------------------------------------------------------------------|--------------------------------|--------------------------------|
|        |                                                                                  | 30th June, 2017<br>(UNAUDITED) | 30th June, 2016<br>(UNAUDITED) |
|        | <b>Continuing operations:</b>                                                    |                                |                                |
|        | <b>Income</b>                                                                    |                                |                                |
| I      | Revenue from operations                                                          | 47,149                         | 36,472                         |
| II     | Other Income                                                                     | 56                             | 220                            |
| III    | <b>Total Revenue (I + II)</b>                                                    | <b>47,205</b>                  | <b>36,692</b>                  |
| IV     | <b>Expenses</b>                                                                  |                                |                                |
|        | a) Cost of materials consumed                                                    | 29,264                         | 22,855                         |
|        | b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | (491)                          | (778)                          |
|        | c) Excise Duty                                                                   | 5,667                          | 4,297                          |
|        | d) Employee benefit expense                                                      | 4,136                          | 3,500                          |
|        | e) Finance costs                                                                 | 940                            | 1,036                          |
|        | f) Depreciation and amortization expense                                         | 2,104                          | 2,346                          |
|        | g) Other expenses                                                                | 4,146                          | 3,311                          |
|        | <b>Total expenses (IV)</b>                                                       | <b>45,766</b>                  | <b>36,567</b>                  |
| V      | <b>Profit/(Loss) before exceptional items and tax (III - IV)</b>                 | <b>1,439</b>                   | <b>125</b>                     |
| VI     | Exceptional Items                                                                | (90)                           | (380)                          |
| VII    | <b>Profit/(Loss) before tax (V + VI)</b>                                         | <b>1,349</b>                   | <b>(255)</b>                   |
| VIII   | <b>Tax expense:</b>                                                              |                                |                                |
|        | (i) Current Tax                                                                  | -                              | -                              |
|        | (ii) Deferred Tax                                                                | 297                            | (116)                          |
| IX     | <b>Profit/(Loss) for the period after tax (VII - VIII)</b>                       | <b>1,052</b>                   | <b>(139)</b>                   |
| X      | <b>Other Comprehensive Income</b>                                                |                                |                                |
|        | <b>Items that will not be reclassified to Profit or Loss</b>                     |                                |                                |
|        | (a) Gain/(Loss) of defined benefit obligations                                   | (7)                            | (9)                            |
|        | (b) Income tax relating to above                                                 | 2                              | 3                              |
|        | <b>Other Comprehensive Income for the period (net of tax) (a+b)</b>              | <b>(5)</b>                     | <b>(6)</b>                     |
| XI     | <b>Total Comprehensive Income for the period (IX + X)</b>                        | <b>1,047</b>                   | <b>(145)</b>                   |
| XII    | <b>Paid-up equity share capital</b>                                              | <b>1,200</b>                   | <b>1,200</b>                   |
| XIII   | <b>Face value of share (Rs.)</b>                                                 | <b>2</b>                       | <b>2</b>                       |
| XIV    | <b>Earnings per share (not annualised)</b>                                       |                                |                                |
|        | Basic                                                                            | 1.75                           | (0.23)                         |
|        | Diluted                                                                          | 1.75                           | (0.23)                         |

### Notes

- The above financial results were reviewed by the Audit Committee at their meeting held on 9th August, 2017 and taken on record by the Board of Directors at their meeting held on 10th August, 2017.
- First time adoption of IND AS** - The Company has adopted Indian Accounting Standards ("IND AS") from April 1, 2017 (transition date being April 1, 2016) as per Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 in accordance with IND AS 101 "First time adoption of Indian Accounting Standards". Accordingly, the impact on transition has been recorded in opening reserves as at April 1, 2016. Figures for the quarter ended June 30, 2016 have been restated accordingly. The Company has opted to avail the relaxations provided by SEBI in respect of disclosure requirements for corresponding figures of earlier periods.



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- 3 Reconciliation of profit after tax for the quarter ended 30th June, 2016 between Ind AS compliant results as reported above with results reported in previous year as per previous GAAP are given below:

| Particulars                                                                      |       | Quarter ended<br>30th June, 2016 (Rs. In<br>Lakhs) |
|----------------------------------------------------------------------------------|-------|----------------------------------------------------|
| A) Net Profit after tax for the quarter ended June 30, 2016 as per previous GAAP |       | (76)                                               |
| B) Effects of transition to IND AS on Statement of Profit and Loss               |       |                                                    |
| i) Interest income from financial assets at amortised cost                       |       | 2                                                  |
| ii) Actürial Loss transferred to other comprehensive Income                      |       | 9                                                  |
| iii) Unwinding of discount on provision                                          |       | (1)                                                |
| iv) Interest cost adjustment as per effective rate of foreign currency loan      | 130   |                                                    |
| v) Reinstatement of Foreign currency loan at Quarter end                         | (516) |                                                    |
| vi) Fair value of derivatives                                                    | 281   | (105)                                              |
| vii) Tax adjustments                                                             |       | 32                                                 |
| C) Net Profit after tax for the quarter ended June 30, 2016 as per IND AS        |       | (139)                                              |
| D) Other Comprehensive Income (net of tax)                                       |       | (6)                                                |
| E) Total Comprehensive Income as per IND AS                                      |       | (145)                                              |

- 4 In terms of IND AS - 16 on "Property Plant & Equipments" and IND AS - 38 on "Intangibles Assets", the Company has reviewed the useful lives of its assets. Since the pattern of consumption of future economic benefit of assets cannot be reasonably estimated, therefore, the Company has changed method of charging depreciation from WDV to SLM w.e.f. 1st April, 2017. The impact of such changes in accounting estimates has resulted into reduction in "Depreciation and Amortization Exps" by Rs. 146 lakhs with the resultant increase in profit before tax during the quarter ended 30th June, 2017.
- 5 The format for unaudited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's circular dated 5th July, 2016, on Ind AS and Schedule III to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
- 6 Ind AS compliant corresponding figures for the quarter ended June 30, 2016 have not been subjected to review or audit. However, the company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view.
- 7 The Company's operations comprise of only one segment i.e. parts & components for Automotive Airconditioning systems.
- 8 There was a fire accident in one of the plants of the Company situated at Manesar on May 29, 2016. The fire has severely impacted the building, stocks, plant & machinery. These assets were adequately insured with reinstatement clause and a claim has been made with the insurance company. An interim amount has been received from the insurance company against the claim lodged. Special/urgent actions to restart supplies to the customers post fire accident has temporarily resulted into additional costs during the quarter under review which have been included in Exceptional Items as per serial number VI of the results.
- 9 The figures of the previous periods have been regrouped, wherever necessary, confirm to the current quarter's classification.

Place : New Delhi  
Date : 10.08.2017



for SUBROS LIMITED  
Ramesh Suri  
CHAIRMAN



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To

The Board of Directors

**SUBROS LIMITED**

1. We have reviewed the accompanying statement of unaudited standalone financial results ('Statement') of Subros Limited ('the Company') for the quarter ended on 30 June, 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 on '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 the company personnel and analytical procedure, 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards, specified under section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July, 2016, and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to the following matter:

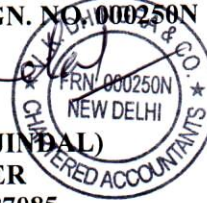
We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation of the Total Comprehensive Income for the quarter ended on June 30, 2016 and accordingly, we do not express any conclusion on the results in the Statement for the quarter ended June 30, 2016. As set out in note 6 to the Statement, these figures have been furnished by the Management.

Our conclusion is not qualified in respect of this matter.

**PLACE : NEW DELHI**  
**DATED : AUGUST 10, 2017**

**For V. K. DHINGRA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN. NO. 000250N**

  
**(SANJAY JINDAL)**  
**PARTNER**  
**M. NO. 087085**



# Investor Presentation

SENSORS INSIDE  
THE CAR MONITOR  
SUN LOAD  
REFRIGERANT

EVAPORATOR

ACCUMULATOR

LOW-SIDE  
PORT

COMPRESSOR

COMPRESSOR  
CLUTCH

RADIATOR

DRIVE  
BELT

## ***Financial Results- Quarter I, 2017-18***

SENSORS IN  
THE DUCTWORK  
MONITOR THE  
POSITIONS OF THE  
Blend door  
Air mix door  
Recirculation door

ORIFICE TUBE

SCHEIDER  
VALVE

SIGHT  
GLASS

HIGH-SIDE  
PORT

REFRIGERANT  
HOSES

DENSER

**Aug,2017**

**This presentation might contain forward looking statements which involve a number of risks, uncertainties and other factors that could cause the actual results to differ materially from those in the forward looking statements. The Company undertakes no obligation to update these to reflect the events or circumstances thereof. Secondly, these statements should be understood in conjunction with the risks the company faces.**





**Recorded sales of Rs.471.17 Crs in Q1 2017-18  
( with growth of over 29% over corresponding Quarter)**

**Improvement in PBT by 11 times of corresponding quarter**

**Application of new Indian Accounting Standard (IND AS) w.e.f.  
April,17**

**Start of Operations for SMG Gujarat from Subros Sanand Plant  
& Start of production of New Swift Model for MSIL**

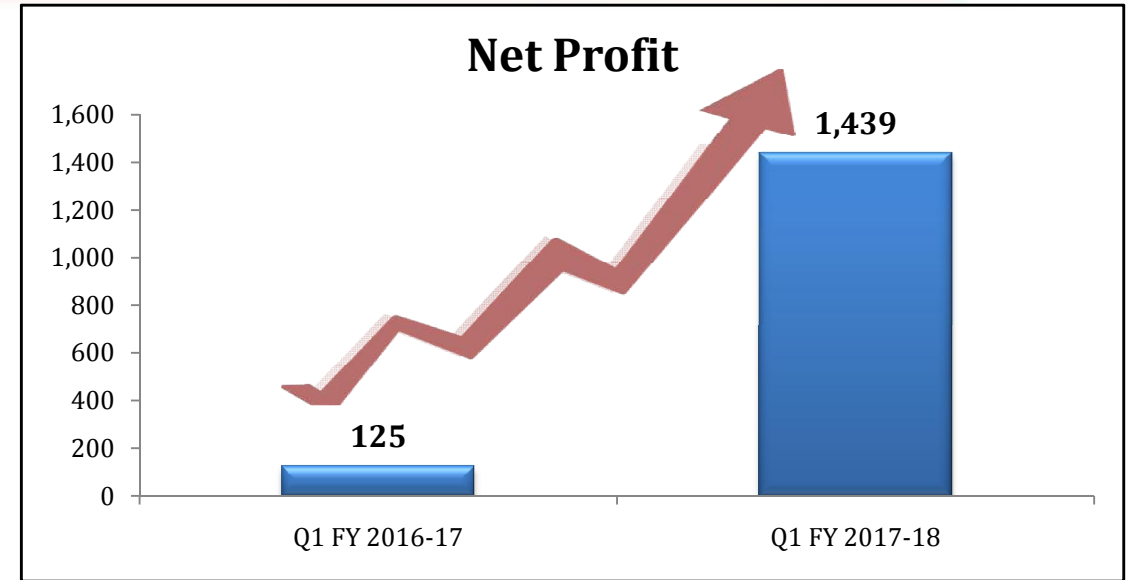
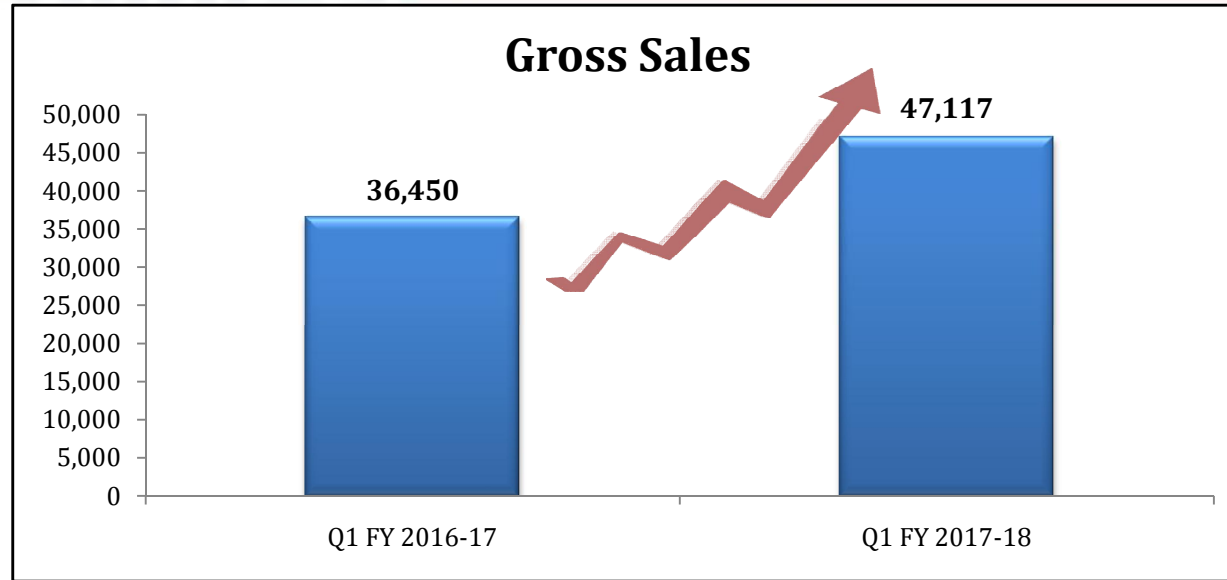


| PARTICULARS                               | Qr. Ended     |               |
|-------------------------------------------|---------------|---------------|
|                                           | 30.06.2017    | 30.06.2016    |
| Gross Sale                                | 47,117        | 36,450        |
| <b>Net Sales</b>                          | <b>41,450</b> | <b>32,153</b> |
| Other Operating Income                    | 32            | 22            |
| <b>Net Income from Operation</b>          | <b>41,482</b> | <b>32,175</b> |
| Other Income                              | 56            | 220           |
| <b>Net Revenue</b>                        | <b>41,538</b> | <b>32,395</b> |
| Raw Material Consumed                     | 28,773        | 22,077        |
| <b>Total Material cost % to Net Sales</b> | <b>69.42%</b> | <b>68.66%</b> |
| Staff Cost                                | 4,136         | 3,500         |
| <b>Staff cost % to Net Sales</b>          | <b>9.98%</b>  | <b>10.89%</b> |
| Other Exp.                                | 4,146         | 3,311         |
| Other Exps. % to Net Sales                | <b>10.00%</b> | <b>10.30%</b> |
| <b>EBIDTA</b>                             | <b>4,484</b>  | <b>3,507</b>  |
| <b>% to Net Sales</b>                     | <b>10.82%</b> | <b>10.91%</b> |
| Depreciation and Amortisation exp         | 2,104         | 2,346         |
| <b>Depreciation % to Net Sales</b>        | <b>5.08%</b>  | <b>7.30%</b>  |
| Interest                                  | 940           | 1,036         |
| <b>Interest cost % to Net Sales</b>       | <b>2.27%</b>  | <b>3.22%</b>  |
| <b>Net Profit/(Loss)</b>                  | <b>1,439</b>  | <b>125</b>    |
| <b>% to Net Sales</b>                     | <b>3.47%</b>  | <b>0.39%</b>  |
| Exceptional Items                         | -90           | -380          |
| <b>Profit after Exceptional Items</b>     | <b>1,349</b>  | <b>-255</b>   |
| <b>% to Net Sales</b>                     | <b>3.25%</b>  | <b>-0.79%</b> |
| Tax Expense                               | 297           | -116          |
| <b>Net Profit after Tax/(Loss)</b>        | <b>1,052</b>  | <b>-139</b>   |
| <b>% to Net Sales</b>                     | <b>2.54%</b>  | <b>-0.43%</b> |
| Other Comprehensive Income (net of tax)   | -5            | -6            |
| <b>Total Comprehensive Income</b>         | <b>1,047</b>  | <b>-145</b>   |
| <b>% to Net Sales</b>                     | <b>2.53%</b>  | <b>-0.45%</b> |

Sales up  
by 29%

PBT up by  
11 times





**Realisation of EBIDTA Level of 10.82%**

**Commencement of supplies to Suzuki Motors, Gujarat from Sanand Plant**

**Exceptional Expenses of Rs. 90 Lacs incurred during the period**

**Production of ECM (Engine Cooling Module) Restarted**

**Tender from Indian Railways (Driver Cabin) awarded and executed partially during the quarter**



**Customer supplies are reinstated in full**

**Insurance claim filed with the Insurance Company & interim payment received**

**Building :**

**Ground Floor is ready and production has been resumed  
1<sup>st</sup> Floor expected to be completed by Mid of Aug'17**

**Plant & Machinery :**

**Major machines have been installed or put to use. Remaining assets are under ordering or in transit**



| Indicators                    | Q1- FY17-18 | Q1- FY16-17 | Change | Status |
|-------------------------------|-------------|-------------|--------|--------|
| Net Sales (Rs. in Lacs)       | 41,450      | 32,153      | 9,297  | ▲      |
| Material Cost                 | 69.42%      | 68.66%      | 0.75   | ▲      |
| Employee Cost                 | 9.98%       | 10.89%      | (0.91) | ▲      |
| Other Expenses                | 10.00%      | 10.30%      | (0.30) | ▲      |
| Op EBIDTA                     | 10.82%      | 10.91%      | (0.09) | ▲      |
| Finance Cost                  | 2.27%       | 3.22%       | (0.95) | ▲      |
| Depreciation                  | 5.08%       | 7.30%       | (2.22) | ▲      |
| PBT (before exceptional item) | 3.47%       | 0.39%       | 3.08   | ▲      |
| Totl Comprehensive Income     | 2.53%       | -0.45%      | 2.98   | ▲      |

**Material cost is higher due to change in product mix, increased commodity prices, sales of new models and GST impact in After Market**

*\*Green Indicator is Positive , Yellow is moderate and Red indicator is negative.*



**Market and  
Revenue  
Potential**

**Growth in Line with Indian Car and CV Segment  
(Double Digit Growth in 2017-18)**

**Business Expansion in Bus, Railways, Truck AC, Home AC Segment (Growth  
>10% over last year)**

**Business Expansion in ECM entrustment expansion  
( Annual plan>200Cr in 2017-18)**

**Operational  
Aspects**

**Mitigating Impact of Foreign Exchange Fluctuations  
( Consistent Hedging Policy)**

**Material Cost Down thru VA/VE, Alternate sourcing  
( Focus on Localisation for De-risking FE Impact)**

**Improvement in EBIDTA and ROCE**

**Reinstatement of Manesar Building and  
Plant & Machinery and settlement of Insurance Claim**

**Thank You**  
**[www.subros.com](http://www.subros.com)**