

SL/BSE/NSE/18

28th May, 2018

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

Dear Sir,

Pursuant to the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 ("SEBI Regulations"), please find the following:

1. Pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are pleased to submit the Standalone & Consolidated Audited Financial Results for the year ended 31st March, 2018 duly reviewed by the Auditors and approved by the Board of Directors in their meeting held on 28th May, 2018.
2. The Board of Directors have recommended a final dividend of Rs.1.10/equity share (55% on face value of equity shares of Rs.2 each) for the year ended 31st March, 2018. The dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company.
3. Disclosure in respect of Regulation 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed. Further the information pursuant to Regulation 52(4) and 54(2) are disclosed in the above said results
4. The Register of Members shall remain closed from 30th July, 2018 to 9th August, 2018 (both days inclusive) for the purpose of Dividend and the Annual General Meeting of the Company which shall be held on Thursday, 9th August, 2018.
5. Presentation to be shared with the analyst/institutional investors in respect of the above said results.

Kindly take the same on record.

Thanking you,

Yours faithfully,
SUBROS LIMITED

Rakesh Arora
Company Secretary



Subros Limited

CIN :- L74899DL1985PLC020134

Corporate & Regd. Office : LGF, World Trade Centre, Barakhamba Lane, New Delhi-110 001 (India)
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SUBROS LIMITED

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

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STATEMENT OF UNAUDITED/AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31st MARCH, 2018

S. No.	Particulars	(Rs. In lakhs)						
		STANDALONE			STANDALONE		CONSOLIDATED	
		Quarter ended			Year Ended		Year Ended	
31st March, 2018 (UNAUDITED) (Refer Note 14)	31st December, 2017 (UNAUDITED)	31st March, 2017 (UNAUDITED) (Refer Note 14)	31st March, 2018 (AUDITED)	31st March, 2017 (AUDITED)	31st March, 2018 (AUDITED)	31st March, 2017 (AUDITED)		
I	Revenue from operations (Refer Note 10)	55,215	44,877	46,922	196,956	174,120	196,956	174,121
II	Other Income	(41)	436	(222)	743	727	738	726
III	Total Revenue (I + II)	55,174	45,313	46,700	197,699	174,847	197,694	174,847
IV	Expenses							
	a) Cost of materials consumed	37,387	30,888	28,104	133,450	107,090	133,450	107,090
	b) Changes in inventories of finished goods and work-in progress	768	157	264	45	(395)	45	(395)
	c) Excise Duty	-	-	5,826	5,667	20,629	5,667	20,629
	d) Employee benefits expense	5,427	4,761	4,013	18,812	15,372	18,822	15,382
	e) Finance costs	1,146	1,015	1,356	4,121	4,791	4,121	4,791
	f) Depreciation and amortization expense	2,419	2,396	2,185	9,200	8,791	9,200	8,791
	g) Other expenses	5,264	4,306	3,530	17,984	14,648	17,986	14,650
	Total expenses (IV)	52,411	43,523	45,278	189,279	170,926	189,291	170,938
V	Share of profits of Joint Venture accounted for using equity method	-	-	-	-	-	11	2
VI	Profit/(Loss) before exceptional items and tax (III - IV + V)	2,763	1,790	1,422	8,420	3,921	8,414	3,911
VII	Exceptional Items (Refer Note 9)	-	-	(675)	(182)	(3103)	(182)	(3103)
VIII	Profit/(Loss) before tax (VI + VII)	2,763	1,790	747	8,238	818	8,232	808
IX	Tax expense							
	(a) Current Tax	612	384	(392)	1,787	194	1,788	199
	(b) Deferred Tax	292	(237)	233	389	(709)	388	(709)
X	Profit/(Loss) for the period/year (VIII - IX)	1,859	1,643	906	6,062	1,333	6,056	1,318
XI	Other Comprehensive Income							
	<u>Items that will be reclassified to profit or loss</u>							
	(a) Exchange differences on translation of foreign operations	-	-	-	-	-	(3)	(22)
	(b) Income tax relating to the above item	-	-	-	-	-	1	4
	<u>Items that will not be reclassified to profit or loss</u>							
	(c) Gain/(Loss) of defined benefit obligations	14	(7)	(8)	(7)	(35)	(7)	(35)
	(d) Share of other comprehensive income of Joint Venture accounted for using equity method	-	-	-	-	-	-	-
	(e) Income tax relating to above	(4)	2	(1)	2	8	1	8
	Other Comprehensive Income for the period (net of tax) (a+b+c+d+e)	10	(5)	(9)	(5)	(27)	(8)	(45)
XII	Total Comprehensive Income for the period/year (X + XI)	1,869	1,638	897	6,057	1,306	6,048	1,273
XIII	Paid-up equity share capital	1,200	1,200	1,200	1,200	1,200	1,200	1,200
XIV	Face value of share (Rs.)	2	2	2	2	2	2	2
XV	Earnings per share (of Rs. 2 each) (not annualised)							
	Basic	3.10	2.74	1.51	10.11	2.22	10.09	2.20
	Diluted	3.10	2.74	1.51	10.11	2.22	10.09	2.20

Notes:

- The above financial results were reviewed by the Audit Committee at their meeting held on 22nd May, 2018 and approved by the Board of Directors at their meeting held on 28th May, 2018.
- The financial results of the Company have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("IND AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The Company adopted IND AS from 1st April, 2017 for the first time with a transition date of 1st April, 2016.
- Reconciliation of the financial results reported under the previous Generally Accepted Accounting Principles (GAAP) for the quarter and year ended 31st March, 2017 is as below:

Particulars	(Rs. In lakhs)		
	STANDALONE		CONSOLIDATED
	Year Ended	Quarter ended	Year Ended
	31st March, 2017	31st March, 2017	31st March, 2017
A) Net Profit after tax as per previous GAAP	1,404	723	1,395
B) Effects of transition to IND AS on Statement of Profit and Loss			
i) Gain arising on recognition of financial asset at amortised cost	3	2	3
ii) Actuarial loss on defined benefit plans transferred to other comprehensive income	35	8	35
iii) Loss on discounting of provision for warranty	(1)	-	(1)
iv) Gain arising on recognition and measurement of financial liability at amortised cost	718	493	718
v) Loss on fair value accounting of derivatives	(855)	(358)	(855)
vi) Deferred tax credit of above adjustments	29	38	25
vii) Share of net profit of Joint Venture for using equity method	-	-	(2)
C) Net Profit after tax as per IND AS	1,333	906	1,318
D) Other Comprehensive Income (net of tax)	(27)	(9)	(45)
E) Total Comprehensive Income as per IND AS	1,306	897	1,273



4 Reconciliation of total equity between IND AS compliant results as reported above with results previously reported under previous GAAP as on 31st March, 2017 and 1st April, 2016 are given below:

Particulars	(Rs. In lakhs)			
	STANDALONE		CONSOLIDATED	
	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2017	As at 1st April, 2016
Total equity (shareholder's fund) as per previous GAAP	34940	33537	34904	33508
Adjustments:				
Loss arising on recognition of financial asset at amortised cost	(21)	(24)	(21)	(24)
Gain/(loss) arising on discounting of warranty provision	11	12	11	12
Gain/(loss) arising on recognition and measurement of financial liability at amortized cost	140	(578)	140	(578)
Gain/(loss) on fair value accounting of derivatives	(430)	425	(430)	425
Proposed dividend and related distribution tax	-	578	-	578
Adjustment in Reserves of Joint venture on account of IND AS transition	-	-	3	7
Tax effects of adjustments	141	103	141	103
Total adjustments	(159)	516	(156)	523
Total equity as per IND AS	34,781	34,053	34,748	34,031

In terms of IND AS - 16 on "Property Plant & Equipment" and IND AS - 38 on "Intangibles Assets", the Company has reviewed the useful lives of various assets and also the method of charging depreciation. On such reviews it was found that few assets need change in useful lives. It was also found that pattern of consumption of future economic benefit of various assets cannot be reasonably estimated, therefore method of charging depreciation has been changed from Written Down Value Method to Straight Line Method w.e.f. 1st April, 2017. The cumulative impact of such changes in accounting estimates was reduction in "Depreciation and amortization expense" and consequent impact on "Profit Before Tax" by Rs. 138 lakhs and Rs. 587 lakhs during the quarter and year ended 31st March, 2018 respectively.

6 The format for unaudited quarterly/annual 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.

7 The Board of directors have recommended a final dividend of Rs.1.10/equity share (55 % on face value of equity shares of Rs.2 each) for the year ended 31st March, 2018. The dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

8 The Company's operations comprise of only one segment i.e. parts & components for Automotive Airconditioning Systems. Hence, no further information is required to be given in respect of segment.

9 There was a fire accident in one of the plants of the Company situated at Manesar on 29th May, 2016. The fire had 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 which have been disclosed in Exceptional Items as per serial number VII of the results.

10 Revenue from operations for periods upto 30th June, 2017 include excise duty, which is discontinued effective 1st July, 2017 upon implementation of Goods and Services Tax (GST) in India. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and year ended 31st March, 2018 are not comparable with the previous periods. The following additional informations is being provided to facilitate such understanding.

Particulars	(Rs. in lakhs)					
	Quarter ended (Standalone)		Year Ended (Standalone)		Year Ended (Consolidated)	
	31st March, 2018 (UNAUDITED)	31st December, 2017 (UNAUDITED)	31st March, 2017 (UNAUDITED)	31st March, 2018 (AUDITED)	31st March, 2017 (AUDITED)	31st March, 2018 (AUDITED)
Revenue from operations	55,215	44,877	46,922	196,956	174,120	196,956
Less : Excise Duty	-	-	5,834	5,667	20,636	5,667
Revenue from operations excluding Excise Duty	55,215	44,877	41,088	191,289	153,484	191,289

11 The Company has issued Listed Redeemable 8.50% Non-Convertible Debentures (NCDs) aggregating to Rs. 5000 Lakhs on 22nd August, 2017.

12 Additional disclosures as per regulation 52(4) and other regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- a) Credit rating and change in credit rating (if any): The Non Convertible Debentures issued by the Company are rated "[ICRA] A+"
- b) Asset cover available, in case of non convertible debt securities: 1.25 times of the total liability for outstanding NCDs as on 31st March, 2018. The nature of security is first charge on specific movable fixed assets of the company.
- c) principal of non convertible debt securities and whether the same has been paid or not: Previous due date for payment of interest was 30th March, 2018 (Rs.34.93 lakhs) and the same has been paid before the due date. No repayment of principal was due during this period.
- d) convertible debt securities payable and the redemption amount: The interest on NCDs is due on 30th April, 2018 (Rs. 36.10 lakhs). The next due date for payment of principal of NCDs is 30th April, 2018 (Rs. 1000 lakhs).

Particulars	31st March, 2018	31st March, 2017
e) Debt-equity ratio	0.95	-
f) Debt Service Coverage Ratio	1.07	-
g) Interest Service Coverage Ratio	5.36	-
h) Debenture Redemption Reserve (Rs. in Lakhs)	1,250	-
i) Networth (Rs. in Lakhs)	40,477	-
j) Paid up Debt Capital (Rs. in Lakhs)	5,000	-

The Formulae for calculation of ratios are as follows:

A) Debt Equity Ratio = Total Debt/Equity

B) Debt Service Coverage Ratio = (Profit/loss) from ordinary activities before tax + Interest on Long term Loans)/(Interest on Long term Loans + Repayment of Long term Loans during the period)

C) Interest Service Coverage Ratio = (Profit/loss) from ordinary activities before tax + Interest on Long term Loans)/Interest on Long term Loans

D) Networth = Share Capital + Reserves and Surplus (excluding Revaluation Reserve and Amalgamation Reserve)

13 Deferred tax is after adjusting Minimum Alternate Tax credit entitlement.

14 Figures for the quarters ended 31st March, 2018 and 2017 represent the difference between the audited figures in respect of full financial years and the published figures for the nine months ended 31st December, 2017 and 2016, respectively which were subject to limited review.

15 The previous period figures have been regrouped/rearranged/reclassified, wherever necessary.

Place : New Delhi
Dated : 28.05.2018

For and on behalf of the Board of Directors
SUBROS LIMITED
RAMESH SUBI
CHAIRMAN



STATEMENT OF ASSETS AND LIABILITIES

(Rs. in lakhs)

Particulars	STANDALONE			CONSOLIDATED		
	As at 31st March, 2018 (AUDITED)	As at 31st March, 2017 (AUDITED)	As at 1st April, 2016 (AUDITED)	As at 31st March, 2018 (AUDITED)	As at 31st March, 2017 (AUDITED)	As at 1st April, 2016 (AUDITED)
ASSETS						
Non-current assets						
Property, plant and equipment	52,892	33,375	41,020	52,892	33,375	41,020
Capital work-in-progress	4,685	12,413	4,328	4,685	12,413	4,328
Intangible assets	14,074	16,343	15,292	14,075	16,343	15,292
Intangible assets under development	4,298	2,502	1,086	4,298	2,502	1,086
Investments in Subsidiary and Joint Venture	250	250	250	-	-	-
Investment accounted for using the equity method	-	-	-	158	147	146
Financial assets						
i) Loans	938	808	768	938	808	768
ii) Other financial assets	175	451	148	175	451	149
Deferred tax assets (net)	1,141	1,529	812	1,141	1,529	812
Non-current tax assets (net)	210	179	154	210	179	154
Other non-current assets	2,618	2,122	1,131	2,618	2,122	1,131
Total non-current assets	81,281	69,972	64,989	81,190	69,869	64,886
Current assets						
Inventories	23,963	20,523	17,662	23,963	20,523	17,662
Financial assets						
i) Trade receivables	16,140	13,021	9,856	16,140	13,021	9,856
ii) Cash and cash equivalents	1,498	201	95	1,514	229	133
iii) Bank balance other than (ii) above	486	180	455	486	180	455
iv) Loans	38	60	87	38	61	87
v) Other financial assets	3,280	3,159	464	3,280	3,159	464
Other current assets	3,100	5,444	3,859	3,100	5,444	3,861
Total current assets	48,505	42,588	32,478	48,521	42,617	32,518
TOTAL ASSETS	129,786	112,560	97,467	129,711	112,486	97,404
EQUITY AND LIABILITIES						
Equity						
Equity share capital	1,200	1,200	1,200	1,200	1,200	1,200
Other equity	39,277	33,581	32,853	39,245	33,548	32,831
Total equity	40,477	34,781	34,053	40,445	34,748	34,031
LIABILITIES						
Non-current liabilities						
Financial liabilities						
- Borrowings	15,260	15,676	19,045	15,260	15,676	19,045
Provisions	241	92	74	241	92	74
Total non-current liabilities	15,501	15,768	19,119	15,501	15,768	19,119
Current liabilities						
Financial liabilities						
i) Borrowings	16,285	17,013	10,797	16,285	17,013	10,797
ii) Trade payables	40,992	23,988	18,054	40,948	23,946	18,012
iii) Other financial liabilities	12,629	16,171	11,881	12,630	16,172	11,882
Other current liabilities	2,773	4,377	3,182	2,773	4,377	3,182
Provisions	708	462	381	708	462	381
Current tax liabilities (net)	421	-	-	421	-	-
Total current liabilities	73,808	62,011	44,295	73,765	61,970	44,254
TOTAL LIABILITIES	89,309	77,779	63,414	89,266	77,738	63,373
TOTAL EQUITY AND LIABILITIES	129,786	112,560	97,467	129,711	112,486	97,404

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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUBROS LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of **Subros Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated May 23, 2017 and May 26, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

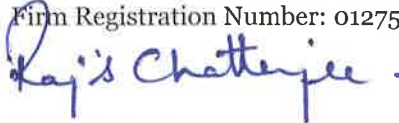
10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.



INDEPENDENT AUDITORS' REPORT
To the Members of Subros Limited
Report on the Financial Statements
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- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer Note 26;
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2018 for which there were no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Rajib Chatterjee
Partner
Membership Number 057134

Place: New Delhi
Date: May 28, 2018

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Subros Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Subros Limited ("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its joint venture; (refer Note 36 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its joint venture in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 7th & 8th Floor, Tower - B, DLF Cyber City
Gurgaon - 122 002

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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint venture as at March 31, 2018, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs. 62.70 Lakhs and net assets of Rs. 58.78 Lakhs as at March 31, 2018, total revenue of Rs. 0.01 Lakhs, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (16.82) Lakhs and net cash flows amounting to Rs. (13.15) Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 10.64 Lakhs for the year ended March 31, 2018 as considered in the consolidated Ind AS financial statements, in respect of joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint venture and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and joint venture, is based solely on the reports of the other auditors.
9. The financial statements of the subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 62.70 Lakhs and net assets of Rs. 58.78 Lakhs as at March 31, 2018, total revenue of Rs. 0.01 Lakhs, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (16.82) Lakhs and net cash flows amounting to Rs. (13.15) Lakhs for the year then ended, have been prepared in accordance with accounting principles generally accepted in its respective country and have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its respective country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such



subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

10. The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor, who expressed an unmodified opinion vide reports dated May 23, 2017 and May 26, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to the Ind AS have been audited by us. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company and its joint venture incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its joint venture incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its joint venture incorporated in India, none of the directors of the Holding Company and joint venture incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2018 on the consolidated financial position of the Group and its joint venture— Refer Note 26 to the consolidated Ind AS financial statements.
- ii. The Group and its joint venture had long-term contracts including derivative contracts as at March 31, 2018 for which there were no material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the joint venture incorporated in India during the year ended March 31, 2018.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group and its joint venture for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Rajib Chatterjee
Partner
Membership Number 057134

Place: New Delhi
Date: May 28, 2018

No.CTL/DEB/18-19/Noting Certificate
28th May,2018

To
Company Secretary
Subros Limited(Issuer)
LGF, World Trade Centre, Barakhamba Lane,
New Delhi - 110 001

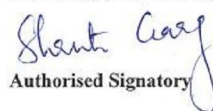
CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Subros Limited (“the Issuer”)** for the year ended 31st March,2018.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For Catalyst Trusteeship Limited

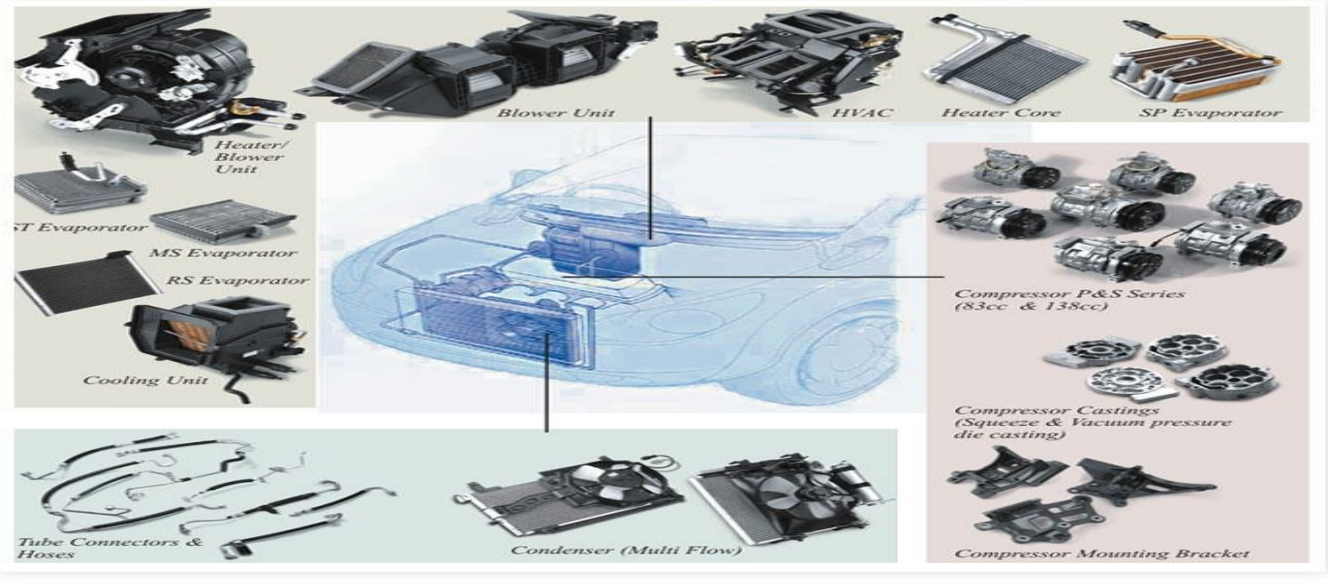

Authorised Signatory



Encl: Results submitted by Company



Subros



Financial Results- Quarter IV & Financial Year, 2017-18

Investor Presentation



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.



Sr.No.	Topic	Slide No.
1	Results FY 2017-18 click here	4-5
2	Result analysis - FY 2017-18 v/s FY 2016-17 click here	6-9
3	Result analysis - Q4 - FY 2017-18 v/s Q3 - FY 2017-18 click here	10-13
4	Result analysis - Q4 - FY 2017-18 v/s Q4 - FY 2016-17 click here	14-17
5	Way Forward click here	18



PARTICULARS	Quarter Ended			Year Ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
Gross Sale	54851	44756	46826	196419	173673
Net Sales	54851	44756	41000	190751	153044
Other Operating Income	364	121	96	538	447
Net Income from Operation	55215	44877	41096	191289	153491
Other Income	(41)	436	(222)	743	727
Net Revenue	55,174	45,313	40,874	1,92,032	1,54,218
Raw Material Consumed	38,155	31,045	28,368	1,33,495	1,06,695
Total Material cost % to Net Sales	69.56%	69.37%	69.19%	69.98%	69.72%
Staff Cost	5,427	4,761	4,013	18,812	15,372
Staff cost % to Net Sales	9.89%	10.64%	9.79%	9.86%	10.04%
Other Exp.	5,264	4,306	3,530	17,984	14,648
Other Exps. % to Net Sales	9.60%	9.62%	8.61%	9.43%	9.57%
EBIDTA	6,328	5,201	4,963	21,741	17,503
% to Net Sales	11.54%	11.62%	12.11%	11.40%	11.44%
Depreciation and Amortisation exp	2,419	2,396	2,185	9,200	8,791
Depreciation % to Net Sales	4.41%	5.35%	5.33%	4.82%	5.74%
Interest	1,146	1,015	1,356	4,121	4,791
Interest cost % to Net Sales	2.09%	2.27%	3.31%	2.16%	3.13%
Net Profit/(Loss)	2,763	1,790	1,422	8,420	3,921
% to Net Sales	5.04%	4.00%	3.47%	4.41%	2.56%
Exceptional Items	-	-	(675)	(182)	(3103)
Profit from Ordinary Activities	2,763	1,790	747	8,238	818
% to Net Sales	5.04%	4.00%	1.82%	4.32%	0.53%
(a) Current Tax	612	384	(392)	1787	194
(b) Deferred Tax	292	(237)	233	389	(709)
Net Profit after Tax/(Loss)	1,859	1,643	906	6,062	1,333
% to Net Sales	3.39%	3.67%	2.21%	3.18%	0.87%
Other Comprehensive Income (net of tax)	10	(5)	(9)	(5)	(27)
Total Comprehensive Income	1,869	1,638	897	6,057	1,306
% to Net Sales	3.41%	3.66%	2.19%	3.18%	0.85%



(Amt In lacs)

Particulars	STANDALONE	
	Year Ended	Quarter ended
	31st March, 2017	31st March, 2017
A) Net Profit after tax as per previous GAAP	1,404	723
B) Effects of transition to IND AS on Statement of Profit and Loss		
i) Gain arising on recognition of financial asset at amortised cost	3	2
ii) Actuarial loss on defined benefit plans transferred to other comprehensive income	35	8
iii) Loss on discounting of provision for warranty	(1)	-
iv) Gain arising on recognition and measurement of financial liability at amortised cost	718	493
v) Loss on fair value accounting of derivatives	(855)	(358)
vi) Deferred tax credit of above adjustments	29	38
vii) Share of net profit of Joint Venture for using equity method	-	-
C) Net Profit after tax as per IND AS	1,333	906
D) Other Comprehensive Income (net of tax)	(27)	(9)
E) Total Comprehensive Income as per IND AS	1,306	897



FY 2017-18
VS
FY 2016-17



Recorded Net sales of Rs.1907.51 Crs during FY 2017-18
(with growth of over 25% over previous year)



Improvement in EBIDTA by 24% over previous year

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



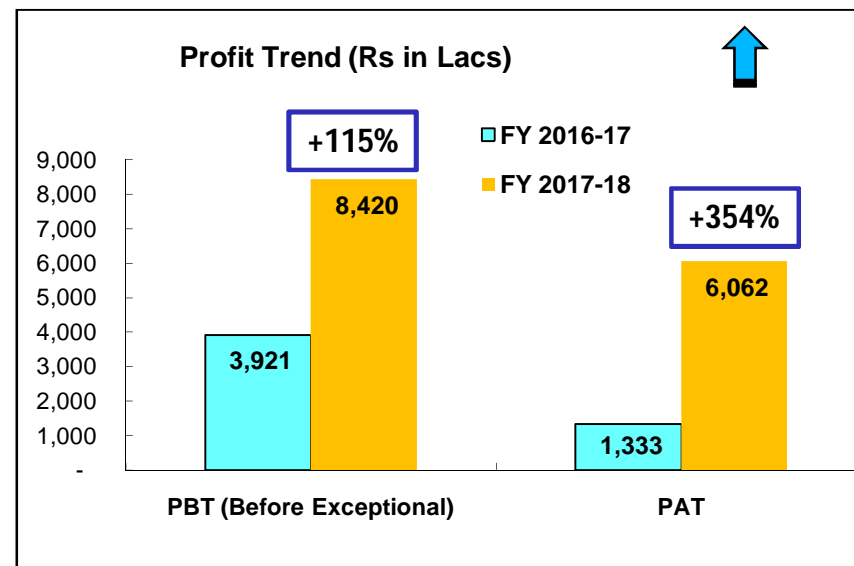
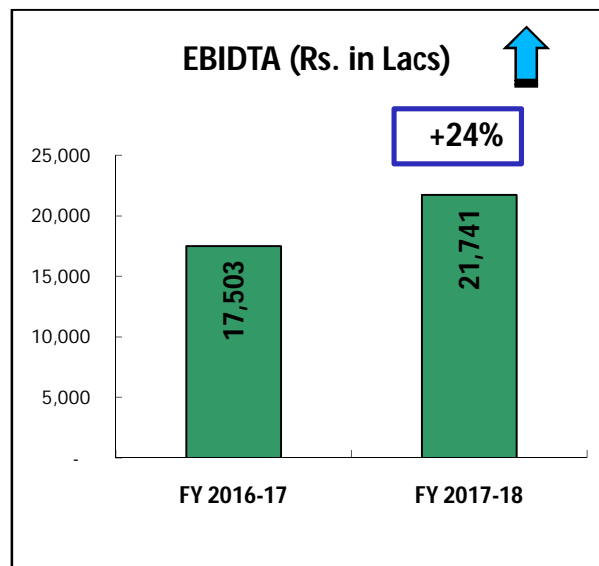
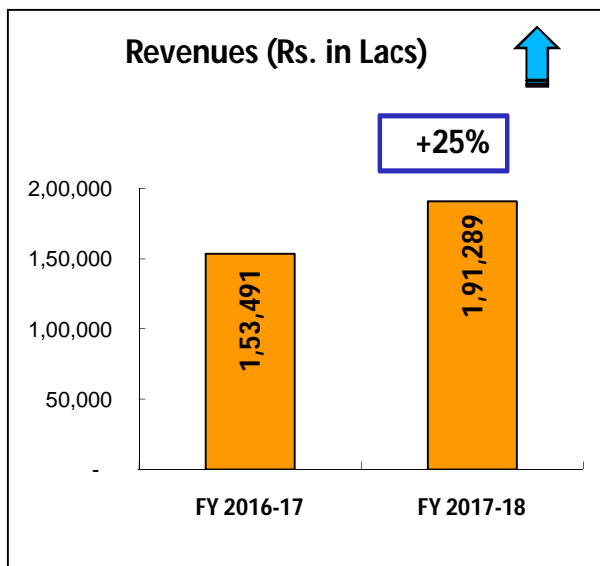
Effective GST implementation w.e.f. 01st July,2017

Improvement in PBT (before exceptional exp) by 115% over previous year



Minimal Exceptional Expenses of Rs.182 lacs incurred during the FY2017-18
PBT post exceptional stands at 4.32% as against 0.53%





Realisation of EBIDTA Level of 11.40% during FY 2017-18 against 11.44% in FY 2016-17

Supplies to Suzuki Motors, Gujurat from Sanand Plant is in full swing

Exceptional Expenses of Rs. 182 Lacs incurred during the year against Rs. 3103 Lacs in 2016-17

Production of ECM (Engine Cooling Module) Restarted in Q1,2017-18

New SOP of Truck Blower wef 1st Jan-18 with 70% Market Share

Tender from Indian Railways (Driver Cabin) awarded and executed



Indicators	FY 2017-18	FY 2016-17	Change	Status
Net Sales (Rs. in Lacs)	190,751	153,044	37,707	■
Material Cost	69.98%	69.72%	0.26	■
Employee Cost	9.86%	10.04%	(0.18)	■
Other Expenses	9.43%	9.57%	(0.14)	■
Op. EBIDTA	11.40%	11.44%	(0.04)	■
Finance Cost	2.16%	3.13%	(0.97)	■
Depreciation	4.82%	5.74%	(0.92)	■
PBT (before exceptional)	4.41%	2.56%	1.85	■
PAT	3.18%	0.87%	2.31	■

⑩ Material cost is increased due to change in product mix, increased commodity prices, sales of new models, GST impact in after market sales compensated with cost optimization initiatives

⑩ Figures for previous financial year are adjusted and reclassified as per requirement IND AS .

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



Q4 FY 2017-18

VS

Q3 FY 2017-18



Recorded net sales of Rs.548.51 Crs in Q4 2017-18
(with 23% growth over Previous Quarter)

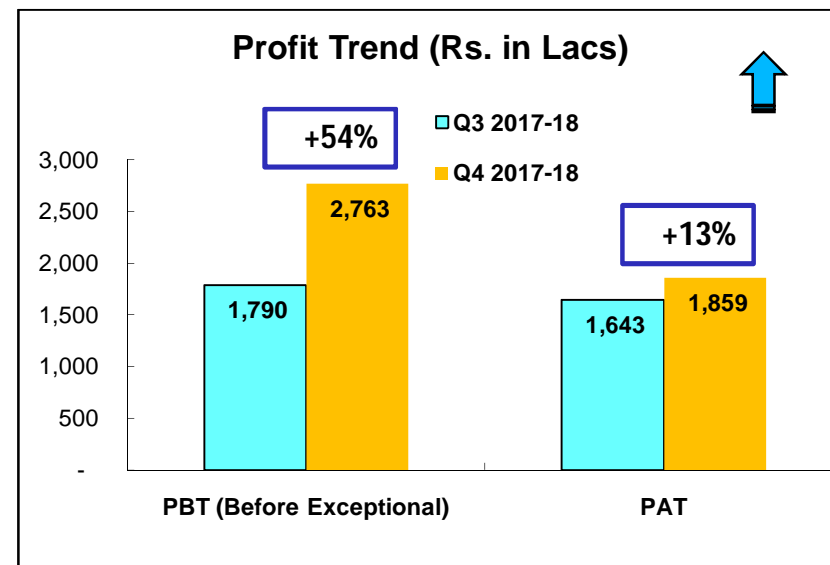
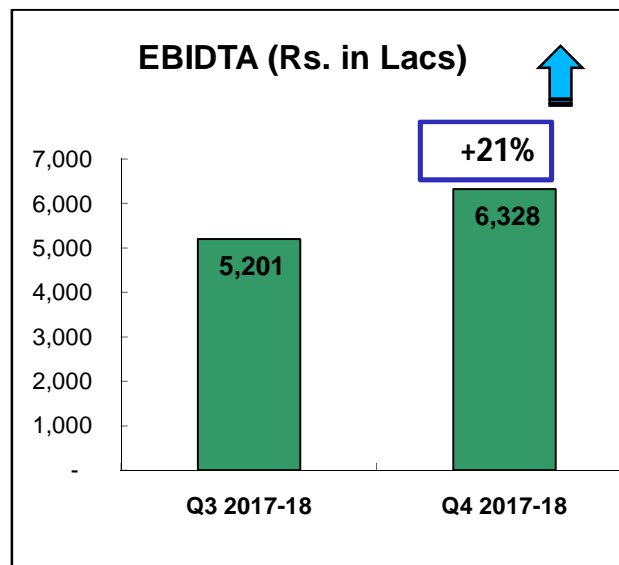
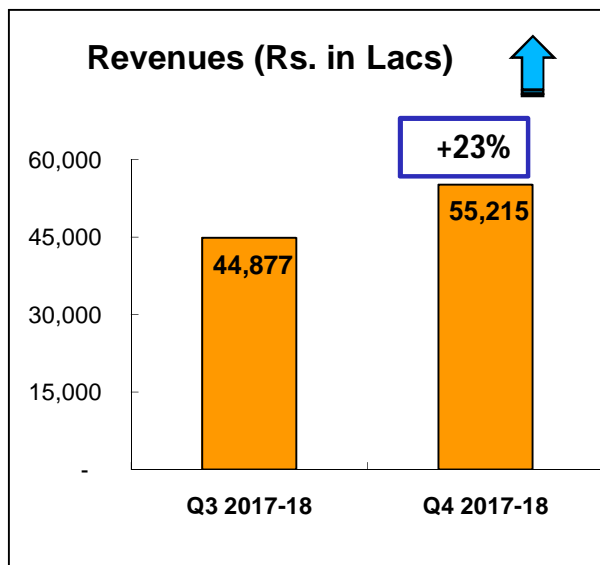


EBIDTA maintained at 11.54% (Q3 -11.62%)



Increase in PBT(before exceptional) by 54% over Previous Quarter to Rs.2763 Lacs
from Rs.1790 Lacs

Increase in PAT by 13% over Previous Quarter to Rs 1859 Lacs



Realisation of EBIDTA Level of 11.54%

Exceptional Expenses of Rs. Nil incurred during the period

New SOP of Truck Blower wef 1st Jan-18 with 70% Market Share



Indicators	Q4 2017-18	Q3 2017-18	Change	Status
Net Sales (Rs. in Lacs)	54,851	44,756	10,095	■
Material Cost	69.56%	69.37%	0.19	■
Employee Cost	9.89%	10.64%	(0.75)	■
Other Expenses	9.60%	9.62%	(0.02)	■
Op. EBIDTA	11.54%	11.62%	(0.08)	■
Finance Cost	2.09%	2.27%	(0.18)	■
Depreciation	4.41%	5.35%	(0.94)	■
PBT (before exceptional)	5.04%	4.00%	1.04	■
PAT	3.39%	3.67%	(0.28)	■

①Material cost is increased due to change in product mix, increased commodity prices, sales of new models, GST impact in after market sales compensated with cost optimization initiatives

①Tax provisions are higher in Q4 resulting lower PAT


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



Q4 FY 2017-18

VS

Q4 FY 2016-17

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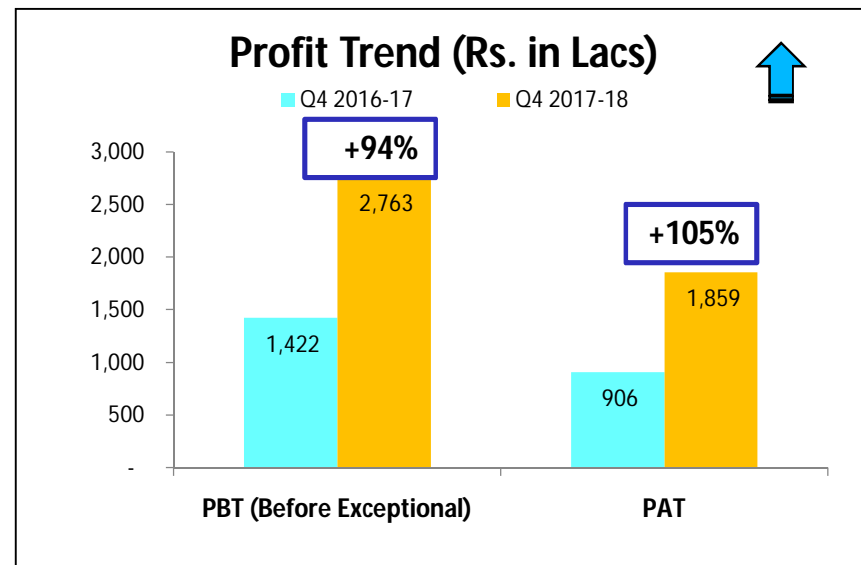
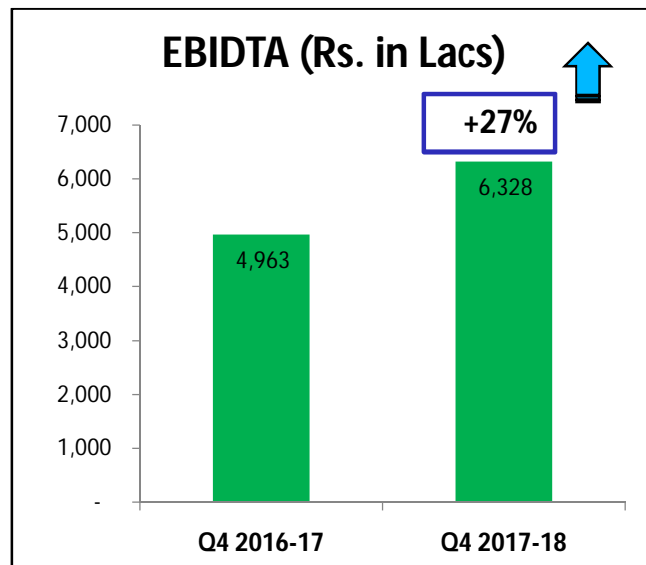
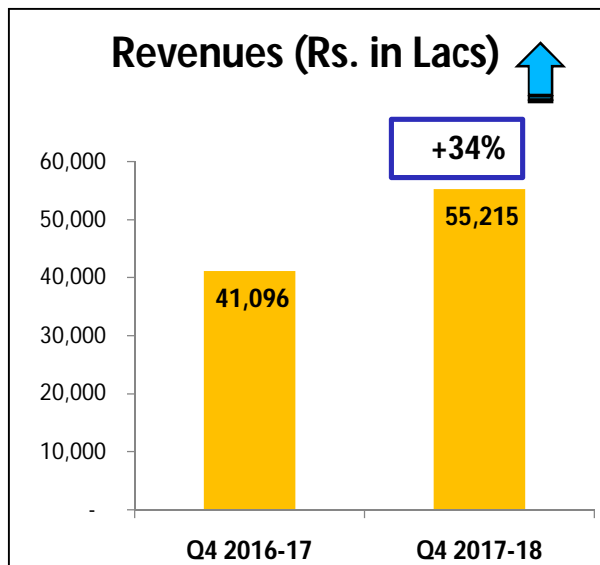
Net Sales recorded a growth of 34% in Q4 2017-18 over corresponding Quarter

**Decline in EBIDTA margin owing to increased material cost
(Q4 FY 2017-18 -11.54% & Q4 FY 2016-17 -12.11%)**

Improvement in PBT (before exceptional exp.) by 94 % over corresponding Quarter.

No exceptional Expenses during the quarter .

Improvement in PBT (after exceptional exps) by 270 % over corresponding Quarter.



Realisation of EBIDTA Level of 11.54%

Exceptional Expenses of Rs. Nil incurred during the period

New SOP of Truck Blower wef 1st Jan-18 with 70% Market Share



Indicators	Q4 2017-18	Q4 2016-17	Change	Status
Net Sales (Rs. in Lacs)	54,851	41,000	13,851	■
Material Cost	69.56%	69.19%	0.37	■
Employee Cost	9.89%	9.79%	0.10	■
Other Expenses	9.60%	8.61%	0.99	■
Op. EBIDTA	11.54%	12.11%	(0.57)	■
Finance Cost	2.09%	3.31%	(1.22)	■
Depreciation	4.41%	5.33%	(0.92)	■
PBT (before exceptional)	5.04%	3.47%	1.57	■
PAT	3.39%	2.21%	1.18	■

- Material cost is increased due to change in product mix, increased commodity prices, sales of new models compensated with cost optimization initiatives
- Employee expenses have increased with increase in direct manpower cost and salary revision
- Other Expenses are higher due to IND AS adjustment carried out for FY 2016-17 and Q4 2016-17 with resultant impact on EBIDTA

**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 2018-19)

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

Potential of Truck AC likely to change in 2020 from Blower

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

Settlement of Insurance Claim



Thank You

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