

The Manager , Listing Department, <b>National Stock Exchange of India Ltd.</b> , 'Exchange Plaza' C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.	Dy. General Manager, Department of Corporate Services, <b>BSE Limited</b> , First Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001.
<u>Security ID: SUBROS</u>	<u>Security ID: SUBROS</u>

Dear Sir/Madam,

**Sub: Outcome of Board Meeting**

Pursuant to regulation 30 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the following:

- (i) Unaudited financial results (standalone and consolidated) for the quarter and half year ended 30<sup>th</sup> September, 2019 duly approved by the Board of Directors in their meeting held on 22<sup>nd</sup> October, 2019. **(Annexure-A)**
- (ii) Limited Review Report (standalone and consolidated) issued by M/s Price Waterhouse Chartered Accountants LLP, Statutory Auditors. **(Annexure-B)**
- (iii) Presentation to be shared with the analysts/institutional investors in respect of the above said unaudited financial results. **(Annexure-C)**
- (iv) Disclosure pursuant to Regulation 52(5) of the Listing Regulations is annexed. Further, the information pursuant to Regulation 52(4) and 54(2) and other applicable regulations of Listing Regulations are disclosed in the above said results. **(Annexure-D)**

The board meeting commenced at 11.30 a.m. and concluded at 2.00 p.m.

We request you to kindly take the same on your record.

Thanking you,

Yours faithfully,  
**For SUBROS LIMITED**

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Rakesh Arora  
Company Secretary

# Price Waterhouse Chartered Accountants LLP

To  
The Board of Directors  
Subros Limited  
LGF, World Trade Centre,  
Barakhamba Lane, New Delhi - 110001

1. We have reviewed the unaudited financial results of Subros Limited (the "Company") for the quarter and the half year ended September 30, 2019 which are included in the accompanying Statement of unaudited standalone financial results for the quarter and six months ended September 30, 2019, the statement of assets and liabilities as on that date and the statement of cash flows for the half-year ended on that date (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The 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, "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.
3. A review is limited primarily to inquiries of company personnel and analytical procedures 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

*Rajib Chatterjee*

Rajib Chatterjee  
Partner  
Membership Number 057134  
UDIN: 19057134AAAABD3015

Place of the Signature: New Delhi  
Date: October 22, 2019

*MS*

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 0001) 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).

**SUBROS LIMITED**

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

CIN :- L74899DL1985PLC020134; Tel: 011-23414946 Fax: 011-23414945

website:www.subros.com ; email:rakesh.arora@subros.com

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2019**

		(Rs. In Lakhs)					
S. No.	Particulars	Quarter ended			Six Months Ended		Year ended
		30th September, 2019 (UNAUDITED)	30th June, 2019 (UNAUDITED)	30th September, 2018 (UNAUDITED)	30th September, 2019 (UNAUDITED)	30th September, 2018 (UNAUDITED)	31st March, 2019 (AUDITED)
I	Revenue from operations	49,648	57,224	56,403	1,06,872	1,09,572	2,12,448
II	Other Income	674	231	576	905	987	1025
III	<b>Total Revenue (I + II)</b>	<b>50,322</b>	<b>57,455</b>	<b>56,979</b>	<b>1,07,777</b>	<b>1,10,559</b>	<b>2,13,473</b>
IV	Expenses						
	a) Cost of materials consumed	35,258	41,027	40,280	76,283	77,753	1,48,503
	b) Changes in inventories of finished goods and work-in progress	43	(169)	(657)	(126)	(770)	(98)
	c) Employee benefits expense	5,218	5,554	5,359	10,772	10,619	20,646
	d) Finance costs	915	1,450	1,334	2,365	2,736	4,219
	e) Depreciation and amortization expense	2,256	2,153	1,991	4,409	3,867	7,885
	f) Other expenses	4,724	5,299	5,490	10,023	10,340	20,587
	<b>Total expenses (IV)</b>	<b>48,414</b>	<b>53,314</b>	<b>53,797</b>	<b>1,03,728</b>	<b>1,04,545</b>	<b>2,01,742</b>
V	Profit/(Loss) before exceptional items and tax (III - IV)	1,908	2,141	3,182	4,049	6,014	11,731
VI	Exceptional Items (Refer Note 7)	-	4,129	-	4,129	(334)	(334)
VII	<b>Profit/(Loss) before tax (V + VI)</b>	<b>1,908</b>	<b>6,270</b>	<b>3,182</b>	<b>8,178</b>	<b>5,680</b>	<b>11,397</b>
VIII	Tax expense						
	(a) Current Tax	69	1351	683	1,420	1235	2408
	(b) Deferred Tax	515	743	118	1,258	171	1376
IX	<b>Profit/(Loss) for the period/year (VII - VIII)</b>	<b>1,324</b>	<b>4,176</b>	<b>2,381</b>	<b>5,500</b>	<b>4,274</b>	<b>7,613</b>
X	Other Comprehensive Income						
	<u>Items that will not be reclassified to profit or loss</u>						
	(a) Gain/(Loss) of defined benefit obligations	(80)	(39)	(2)	(119)	(4)	(312)
	(b) Income tax relating to above	28	14	1	42	2	109
	<b>Other Comprehensive Income for the period/year (net of tax) (a+b)</b>	<b>(52)</b>	<b>(25)</b>	<b>(1)</b>	<b>(77)</b>	<b>(2)</b>	<b>(203)</b>
XI	<b>Total Comprehensive Income for the period/year (IX + X)</b>	<b>1,272</b>	<b>4,151</b>	<b>2,380</b>	<b>5,423</b>	<b>4,272</b>	<b>7,410</b>
XII	Paid-up equity share capital	1,305	1,305	1,200	1,305	1,200	1,305
XIII	Face value of share (Rs.)	2	2	2	2	2	2
XIV	Earnings per share (of Rs. 2 each) (net annualized)						
	Basic	2.03	6.40	3.97	8.43	7.12	12.35
	Diluted	2.03	6.40	3.97	8.43	7.12	12.35

**Notes:**

- The above financial results were reviewed by the Audit Committee at their meeting held on 21st October, 2019 and subsequently approved by the Board of Directors at their meeting held on 22nd October, 2019.
- 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 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.
- Effective 1st April, 2019, the Company has adopted Ind AS 116 "Leases" and applied the same to all lease contracts existing on 1st April, 2019 retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application, with right-of-use asset recognised at an amount equal to the lease liability, adjusted by the prepaid lease rent. In the statement of profit and loss depreciation for the right-of-use assets and finance cost for interest accrued on lease liability is being accounted for as against operating lease rent included under Other Expenses earlier. This change did not have a material impact on the above standalone financial results for the quarter and six months ended 30th September, 2019.



5 Pursuant to the approval of Board of Directors in their meeting held on 28th May, 2018 for closure of Company's overseas subsidiary Thal Subros Ltd. and filing of liquidation application in Thailand on 9th January, 2019, the management has assessed the recoverability of their investment in subsidiary and recognised the provision for diminution in the value of its investment in subsidiary amounting to Rs. 21.35 Lakhs during the year ended 31st March, 2019. The liquidation of the subsidiary has been completed on 1st August, 2019 vide Certificate issued by Department of Business Development, Ministry of Commerce, Thailand and the Company has recognized a gain of Rs. 0.42 Lakhs during the quarter and six months ended 30th September, 2019 included in 'Other Income' on account of money realized over and above the carrying value of its investment in subsidiary.

6 The Company's operations comprise of only one segment i.e. Thermal products. Hence, no further information is required to be given in respect of segment.

7 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 was made with the Insurance Company. Special/urgent actions to restart supplies to the customer post fire incident had resulted into additional costs which were included under the head Exceptional Items in the Statement of Profit and Loss in the earlier years. An amount of Rs. 5,067 Lakhs has been assessed, settled and received during the quarter ended 30th June, 2019 and accordingly Rs. 4,129 Lakhs, over and above Rs. 938 Lakhs disclosed as recoverable under the head "Other Financial Assets" as on 31st March, 2019, has been disclosed as an income under the head Exceptional Items for the quarter ended 30th June, 2019 and six months ended 30th September, 2019.

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

- a) Credit rating and change in credit rating (if any): The Non Convertible Debentures issued by the Company are rated "[ICRA] AA-Stable" (31st March, 2019: "[ICRA] AA-Stable" and 30th September, 2018: "[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 30th September, 2019. The nature of security is first charge on specific movable fixed assets of the company.
- c) Previous due date for the payment of interest/repayment of principal of non convertible debt securities and whether the same has been paid or not: Previous due date for payment of interest was 30th September, 2019 (Rs. 7.22 Lakhs) and the same has been paid within the due date. Previous due date for repayment of principal amount was 30th April, 2019 (Rs. 2,000 Lakhs) and the same has been paid within the due date.
- d) Next due date for the payment of interest/principal of non-convertible debt securities payable and the redemption amount: The interest on NCDs is due on 30th October, 2019 (Rs. 6.99 Lakhs). The next due date for payment of principal of NCDs is 30th April, 2020 (Rs. 1,000 Lakhs).

Particulars	Six Months Ended		Year Ended
	30th September, 2019 (Unaudited)	30th September, 2018 (Unaudited)	31st March, 2019 (Audited)
a) Debt-equity ratio	0.31	0.82	0.36
b) Debt Service Coverage Ratio	0.95	1.35	0.95
c) Interest Service Coverage Ratio	10.92	7.61	7.58
d) Debenture Redemption Reserve (Rs. in Lakhs)	1,000	1,250	1,000
e) Net worth (Rs. in Lakhs)	72,414	43,952	68,013
f) Paid up Debt Capital (Rs. in Lakhs)	1,000	4,000	4,000

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)

9 Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 (Ordinance) dated 20th September, 2019, the Company has decided to continue to follow the tax rates which were applicable prior to issuance of the Ordinance. Accordingly, there is no impact on current and deferred tax for the quarter and six months ended 30th September, 2019.

Place : New Delhi  
Dated : 22nd October, 2019

For and on behalf of the Board of Directors  
SUBROS LIMITED

RAMESH SURI  
CHAIRMAN



# SUBROS LIMITED

REGD. OFFICE : LGF, WORLD TRADE CENTRE, BARAKHAMBA LANE, NEW DELHI-110001  
 CIN :- L74899DL1985PLC020134; Website:www.subros.com ; Email:rakesh.arora@subros.com  
 Tel: 011-23414946 Fax: 011-23414945

## STATEMENT OF STANDALONE ASSETS AND LIABILITIES

(Rs. In lakhs)

Particulars	As at 30th September, 2019 (UNAUDITED)	As at 31st March, 2019 (AUDITED)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	59,212	53,216
Right of use assets	1,019	-
Capital work-in-progress	5,255	6,326
Intangible assets	15,148	15,786
Intangible assets under development	2,637	2,275
Investments in Subsidiary and Joint Venture	177	229
<b>Financial assets</b>		
i) Loans	1,044	962
ii) Other financial assets	37	56
Non-current tax assets (net)	48	48
Other non-current assets	134	3,474
<b>Total non-current assets</b>	<b>84,711</b>	<b>82,372</b>
<b>Current assets</b>		
Inventories	22,790	24,921
<b>Financial assets</b>		
i) Trade receivables	21,791	16,732
ii) Cash and cash equivalents	363	653
iii) Bank balance other than (ii) above	8,753	8,338
iv) Loans	80	108
v) Other financial assets	1,390	2,691
Other current assets	2,387	2,244
<b>Total current assets</b>	<b>57,554</b>	<b>55,687</b>
<b>TOTAL ASSETS</b>	<b>1,42,265</b>	<b>1,38,059</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,305	1,305
Other equity	71,109	66,708
<b>Total equity</b>	<b>72,414</b>	<b>68,013</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
- Borrowings	3,285	5,744
- Lease Liabilities	931	-
Deferred tax liabilities (net)	1,341	125
Provisions	931	636
<b>Total non-current liabilities</b>	<b>6,488</b>	<b>6,505</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
i) Borrowings	15,493	13,031
ii) Lease Liabilities	114	-
iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	131	346
- Total outstanding dues of creditors other than micro enterprises and small enterprises	36,767	38,641
iv) Other financial liabilities	7,388	8,367
Contract liabilities	521	603
Other current liabilities	1,681	1,537
Provisions	826	773
Current tax liabilities	442	243
<b>Total current liabilities</b>	<b>63,363</b>	<b>63,541</b>
<b>TOTAL LIABILITIES</b>	<b>69,851</b>	<b>70,046</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,42,265</b>	<b>1,38,059</b>



**SUBROS LIMITED**

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

CIN :- L74899DL1985PLC020134; Tel: 011-23414946 Fax: 011-23414943

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**STATEMENT OF STANDALONE CASH FLOWS FOR THE SIX MONTHS ENDED 30th SEPTEMBER, 2019**

(Rs. in lakhs)

Particulars	STANDALONE		
	Six Months Ended		Year Ended
	30th September, 2019 (UNAUDITED)	30th September, 2018 (UNAUDITED)	30th March, 2019 (AUDITED)
<b>Cash flow from operating activities</b>			
Profit before tax	8,178	3,680	11,397
Adjustments for:			
Depreciation and amortization expense	4,409	3,867	7,885
Net (profit)/ loss on disposal of property, plant and equipment	(11)	(2)	72
Provision for diminution in value of investment other than temporary difference	-	14	21
Interest income on financial assets at amortized cost and others	(345)	(47)	(277)
Provision written back to the extent no longer required	(50)	-	-
Finance costs	2,365	2,736	4,219
Provision for inventory obsolescence written back	-	-	(22)
Unrealized foreign currency (gain) / loss (net)	304	610	(600)
Fair value changes on derivatives	(93)	-	(372)
Operating profit before working capital changes	14,797	12,858	22,323
Adjustments for changes in working capital:			
(Increase)/ Decrease in loans (non-current)	(82)	(47)	(23)
(Increase)/ Decrease in other financial assets (non-current)	19	-	121
(Increase)/ Decrease in Inventories	2,131	(1,485)	(936)
(Increase)/ Decrease in trade receivables	(5,059)	(1,486)	(592)
(Increase)/ Decrease in loans (current)	28	5	(70)
(Increase)/ Decrease in bank balances other than cash and cash equivalents	(416)	(9)	(7,852)
(Increase)/ Decrease in other financial assets (current)	1,438	(189)	1,119
(Increase)/ Decrease in other current assets	(143)	809	856
Increase/ (Decrease) in non-current provisions	176	114	83
Increase/ (Decrease) in trade payables	(2,392)	2,886	(1,406)
Increase/ (Decrease) in contract liabilities	(83)	-	(660)
Increase/ (Decrease) in other financial liabilities (current)	842	(1,015)	(626)
Increase/ (Decrease) in other current liabilities	144	(884)	27
Increase/ (Decrease) in current provisions	53	105	65
<b>Cash generated from operations</b>	11,413	11,662	12,429
Income tax paid (net)	(1,221)	(1,238)	(2,424)
<b>Net cash inflow from operating activities</b>	<b>10,192</b>	<b>10,424</b>	<b>10,005</b>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development	(5,555)	(5,706)	(12,748)
Proceeds from liquidation of investment in subsidiary	92	-	-
Proceeds from sale of property, plant and equipment	23	80	57
Interest received	301	35	116
<b>Net cash (outflow) from investing activities</b>	<b>(5,139)</b>	<b>(5,591)</b>	<b>(12,575)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of preferential shares	-	-	20,922
Proceeds from long term borrowings	-	-	1,250
Repayment of long term borrowings	(4,283)	(3,218)	(12,402)
Proceeds / (repayment) of short term borrowings	2,462	66	(3,254)
Interest paid	(2,460)	(2,132)	(3,995)
Dividend paid	(848)	(660)	(660)
Dividend distribution tax	(174)	(136)	(136)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(3,303)</b>	<b>(6,080)</b>	<b>1,725</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(290)</b>	<b>(1,247)</b>	<b>(848)</b>
Cash and cash equivalents at the beginning of the period/ year	653	1,498	1,498
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>363</b>	<b>251</b>	<b>653</b>
<b>Cash and cash equivalents as per above comprise of the following:</b>			
Cash on hand	23	19	20
Balance with banks	340	232	633
	<b>363</b>	<b>251</b>	<b>653</b>

Note:

a) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Statement of cash flows".

b) Figures in brackets indicate cash outflow.



# Price Waterhouse Chartered Accountants LLP

To  
The Board of Directors  
Subros Limited  
LGF, World Trade Centre,  
Barakhamba Lane, New Delhi - 110001

1. We have reviewed the unaudited consolidated financial results of Subros Limited (the "Parent"), its subsidiary (the parent and its subsidiary hereinafter referred to as the "Group") and joint venture (refer Note 8 on the Statement) for the quarter and the half year ended September 30, 2019 which are included in the accompanying Statement of unaudited consolidated financial results for the quarter and six months ended September 30, 2019, the unaudited consolidated statement of assets and liabilities as on that date and the consolidated statement of cash flows for the half-year ended on that date (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended September 30, 2018 and the corresponding period from April 1, 2018 to September 30, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.  
  
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the following entities:  
Thai Subros Limited, a subsidiary company (till August 1, 2019 i.e. the date of liquidation), and  
Denso Subros Thermal Engineering Centre India Private Limited, a joint venture.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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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).

6. The consolidated unaudited financial results includes the financial results of a subsidiary which have not been reviewed by their auditors, whose financial results reflect total assets of Rs. Nil and net assets of Rs. Nil as at September 30, 2019 and total revenue of Rs. Nil and Rs. Nil, total net loss after tax of Rs.0.33 Lakhs and Rs. 0.33 Lakhs and total comprehensive loss of Rs.0.33 Lakhs and Rs. 0.33 Lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and cash flows (net) of Rs. (52.64) Lakhs for the period from April 1, 2019 to September 30, 2019, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 25.16 Lakhs and Rs.51.30 Lakhs and total comprehensive loss of Rs. 25.23 Lakhs and Rs.51.44 Lakhs for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, as considered in the consolidated unaudited financial results, in respect of a joint venture, based on their financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

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

*Rajib Chatterjee*

Rajib Chatterjee  
Partner  
Membership Number 057134  
UDIN: 19057134AAAABE1618

Place of the Signature: New Delhi  
Date: October 22, 2019



**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2019**

S. No.	Particulars	(Rs. in lakhs) *					
		Quarter ended			Six Months Ended		Year ended
		30th September, 2019 (UNAUDITED)	30th June, 2019 (UNAUDITED)	30th September, 2018 (UNAUDITED)	30th September, 2019 (UNAUDITED)	30th September, 2018 (UNAUDITED)	31st March, 2019 (AUDITED)
I	Revenue from operations	49,648	57,224	56,403	1,06,872	1,09,572	2,12,448
II	Other Income	710	231	577	941	990	1030
III	<b>Total Revenue (I + II)</b>	<b>50,358</b>	<b>57,455</b>	<b>56,980</b>	<b>1,07,813</b>	<b>1,10,562</b>	<b>2,13,478</b>
IV	<b>Expenses</b>						
	a) Cost of materials consumed	35,258	41,027	40,280	76,285	77,753	1,48,503
	b) Changes in inventories of finished goods and work-in progress	43	(169)	(657)	(126)	(770)	(98)
	c) Employee benefits expense	5,218	5,554	5,368	10,772	10,630	20,657
	d) Finance costs	915	1,450	1,334	2,365	2,736	4,219
	e) Depreciation and amortization expense	2,256	2,153	1,991	4,409	3,867	7,885
	f) Other expenses	4,724	5,299	5,490	10,023	10,327	20,569
	<b>Total expenses (IV)</b>	<b>48,414</b>	<b>55,314</b>	<b>53,806</b>	<b>1,03,728</b>	<b>1,04,543</b>	<b>2,01,735</b>
V	Share of profits/(losses) of Joint Venture accounted for using equity method	(25)	(26)	15	(51)	20	(1)
VI	<b>Profit/(Loss) before exceptional items and tax (III - IV + V)</b>	<b>1,919</b>	<b>2,115</b>	<b>3,189</b>	<b>4,034</b>	<b>6,039</b>	<b>11,742</b>
VII	Exceptional Items (Refer Note 7)	-	4,129	-	4,129	(334)	(334)
VIII	<b>Profit/(Loss) before tax (VI + VII)</b>	<b>1,919</b>	<b>6,244</b>	<b>3,189</b>	<b>8,163</b>	<b>5,705</b>	<b>11,408</b>
IX	<b>Tax expense</b>						
	(a) Current Tax	69	1,351	683	1,420	1,235	2408
	(b) Deferred Tax	515	743	118	1,258	171	1376
X	<b>Profit/(Loss) for the period/year (VIII - IX)</b>	<b>1,335</b>	<b>4,150</b>	<b>2,388</b>	<b>5,485</b>	<b>4,299</b>	<b>7,624</b>
XI	<b>Other Comprehensive Income</b>						
	<u>Items that will be reclassified to profit or loss</u>						
	(a) Exchange differences on translation of foreign operations	2	(3)	(6)	(1)	(8)	(3)
	(b) Income tax relating to above item	(1)	1	2	-	3	1
	<u>Items that will not be reclassified to profit or loss</u>						
	(c) Loss on remeasurements of post employment benefit obligations	(80)	(39)	(2)	(119)	(4)	(312)
	(d) Share of other comprehensive income of Joint Venture accounted for using equity method*	-	-	-	-	-	-
	(e) Income tax relating to above	28	14	-	42	1	109
	<b>Other Comprehensive Income for the period/year (net of tax) (a+b+c+d+e)</b>	<b>(51)</b>	<b>(27)</b>	<b>(6)</b>	<b>(78)</b>	<b>(8)</b>	<b>(205)</b>
XII	<b>Total Comprehensive Income for the period/year (X + XI)</b>	<b>1,284</b>	<b>4,123</b>	<b>2,382</b>	<b>5,407</b>	<b>4,291</b>	<b>7,419</b>
XIII	Paid-up equity share capital	1,305	1,305	1,200	1,305	1,200	1,305
XIV	Face value of share (Rs.)	2	2	2	2	2	2
XV	Earnings per share (of Rs. 2 each) (not annualized)						
	Basic	2.05	6.36	3.98	8.41	7.17	12.37
	Diluted	2.05	6.36	3.98	8.41	7.17	12.37

\* Amount is below the rounding off norm adopted by the Company.

**Notes:**

- The above financial results were reviewed by the Audit Committee at their meeting held on 21st October, 2019 and subsequently approved by the Board of Directors at their meeting held on 22nd October, 2019.
- The consolidated 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.



- 4 Effective 1st April, 2019, the Company has adopted Ind AS 116 "Leases" and applied the same to all lease contracts existing on 1st April, 2019 retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application, with right-of-use asset recognised at an amount equal to the lease liability, adjusted by the prepaid lease rent. In the statement of profit and loss depreciation for the right-of-use assets and finance cost for interest accrued on lease liability is being accounted for as against operating lease rent included under Other Expenses earlier. This change did not have a material impact on the above consolidated financial results for the quarter and six months ended 30th September, 2019.
- 5 Pursuant to the approval of Board of Directors in their meeting held on 28th May, 2018 for closure of Company's overseas subsidiary Thai Subros Ltd. and filing of liquidation application in Thailand on 9th January, 2019, the liquidation of the subsidiary has been completed on 1st August, 2019 vide Certificate issued by Department of Business Development, Ministry of Commerce, Thailand and the Company has recognized a gain of Rs. 0.42 Lakhs during the quarter and six months ended 30th September, 2019 included in 'Other Income' on account of money realized over and above the carrying value of its investment in subsidiary.
- 6 The Company's operations comprise of only one segment i.e. Thermal products. Hence, no further information is required to be given in respect of segment.
- 7 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 was made with the Insurance Company. Special/urgent actions to restart supplies to the customer post fire incident had resulted into additional costs which were included under the head Exceptional Items in the Statement of Profit and Loss in the earlier years. An amount of Rs. 5,067 Lakhs has been assessed, settled and received during the quarter ended 30th June, 2019 and accordingly Rs. 4,129 Lakhs, over and above Rs. 938 Lakhs disclosed as recoverable under the head "Other Financial Assets" as on 31st March, 2019, has been disclosed as an income under the head Exceptional Items for the quarter ended 30th June, 2019 and six months ended 30th September, 2019.
- 8 The consolidated financial results include the results of the following entities namely, Thai Subros Limited (Subsidiary) for the period upto 1st August, 2019 and Denso Subros Thermal Engineering Centre India Private Limited (Joint Venture).
- 9 The Statutory Auditors of the Company have carried out a limited review of the consolidated results. Consolidated figures for the corresponding quarter and half year ended 30th September, 2018, as reported in these financial results have been approved by the parent's Board of Directors, but have not been subjected to limited review by the Company's Statutory Auditors.
- 10 Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 (Ordinance) dated 20th September, 2019, the Company has decided to continue to follow the tax rates which were applicable prior to issuance of the Ordinance. Accordingly, there is no impact on current and deferred tax for the quarter and six months ended 30th September, 2019.

Place : New Delhi

Dated : 22nd October, 2019

For and on behalf of the Board of Directors  
SUBROS LIMITED

RAMESH SURI  
CHAIRMAN



## SUBROS LIMITED

REGD. OFFICE : LGF, WORLD TRADE CENTRE, BARAKHAMBA LANE, NEW DELHI-110001  
 CIN :- L74899DL1985PLC020134; Website:www.subros.com ; Email:rakesh.arora@subros.com  
 Tel: 011-23414946 Fax: 011-23414945

### STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

Particulars	(Rs. in lakhs)	
	As at 30th September, 2019 (UNAUDITED)	As at 31st March, 2019 (AUDITED)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	59,212	53,216
Right of use assets	1,019	-
Capital work-in-progress	5,255	6,326
Intangible assets	15,148	15,786
Intangible assets under development	2,637	2,275
Investment accounted for using the equity method	105	157
<b>Financial assets</b>		
i) Loans	1,044	962
ii) Other financial assets	37	56
Non-current tax assets (net)	48	48
Other non-current assets	134	3,474
<b>Total non-current assets</b>	<b>84,639</b>	<b>82,300</b>
<b>Current assets</b>		
Inventories	22,790	24,921
<b>Financial assets</b>		
i) Trade receivables	21,791	16,732
ii) Cash and cash equivalents	363	706
iii) Bank balance other than (ii) above	8,733	8,338
iv) Loans	80	108
v) Other financial assets	1,390	2,691
Other current assets	2,387	2,244
<b>Total current assets</b>	<b>57,554</b>	<b>55,740</b>
<b>TOTAL ASSETS</b>	<b>1,42,193</b>	<b>1,38,040</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,305	1,305
Other equity	71,037	66,690
<b>Total equity</b>	<b>72,342</b>	<b>67,995</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
- Borrowings	3,285	5,744
- Lease Liabilities	931	-
Deferred tax liability (net)	1,341	124
Provisions	931	636
<b>Total non-current liabilities</b>	<b>6,488</b>	<b>6,504</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
i) Borrowings	15,493	13,031
ii) Lease Liabilities	114	-
iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	131	346
- Total outstanding dues of creditors other than micro enterprises and small enterprises	36,767	38,641
iv) Other financial liabilities	7,388	8,367
Contract liabilities	521	603
Other current liabilities	1,681	1,537
Provisions	826	773
Current tax liabilities	442	243
<b>Total current liabilities</b>	<b>63,363</b>	<b>63,541</b>
<b>TOTAL LIABILITIES</b>	<b>69,851</b>	<b>70,045</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,42,193</b>	<b>1,38,040</b>



**SUBROS LIMITED**

REGD. OFFICE : LGF, WORLD TRADE CENTRE, BARAKHAMBA LANE, NEW DELHI-110001  
 CIN :- L74899DL1985PLC020134; Tel: 011-23414946 Fax: 011-23414945  
 website:www.subros.com ; email:rakesh.arora@subros.com

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE SIX MONTHS ENDED 30th SEPTEMBER, 2019

(Rs. In Lakhs)

Particulars	CONSOLIDATED		
	Six Months Ended		Year Ended
	30th September, 2019 (UNAUDITED)	30th September, 2018 (UNAUDITED)	31st March, 2019 (AUDITED)
<b>Cash flow from operating activities</b>			
Profit before tax	8,163	5,705	11,408
Adjustments for:			
Depreciation and amortization expense	4,409	3,867	7,885
Net (profit)/loss on disposal of property, plant and equipment	(11)	(2)	73
Interest income on financial assets at amortized cost and others	(345)	(47)	(277)
Provision written back to the extent no longer required	(50)	-	-
Finance costs	2,365	2,736	4,219
Provision for inventory obsolescence written back	-	-	(22)
Unrealized foreign currency (gain) / loss (net)	267	610	(398)
Fair value changes on derivatives	(93)	-	(372)
Share of net (profit) / loss of joint venture accounted for using equity method	51	(20)	1
<b>Operating profit before working capital changes</b>	<b>14,736</b>	<b>12,849</b>	<b>22,317</b>
Adjustments for Changes in working capital:			
(Increase) / Decrease in loans (non-current)	(82)	(47)	(23)
(Increase) / Decrease in other financial assets (non-current)	19	-	121
(Increase) / Decrease in inventories	2,131	(1,485)	(936)
(Increase) / Decrease in trade receivables	(5,059)	(1,486)	(392)
(Increase) / Decrease in loans (current)	28	5	(70)
(Increase) / Decrease in bank balances other than cash and cash equivalents	(416)	(9)	(7,852)
(Increase) / Decrease in other financial assets (current)	1,438	(189)	1,119
(Increase) / Decrease in other current assets	(143)	809	856
Increase / (Decrease) in non-current provisions	176	114	83
Increase / (Decrease) in trade payables	(2,392)	2,936	(1,362)
Increase / (Decrease) in contract liabilities	(83)	-	(660)
Increase / (Decrease) in other financial liabilities (current)	842	(1,016)	(627)
Increase / (Decrease) in other current liabilities	144	(884)	27
Increase / (Decrease) in current provisions	53	105	65
<b>Cash generated from operations</b>	<b>11,412</b>	<b>11,702</b>	<b>12,466</b>
Income tax paid (net)	(1,221)	(1,238)	(2,424)
<b>Net cash inflow from operating activities</b>	<b>10,191</b>	<b>10,464</b>	<b>10,042</b>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development	(5,555)	(5,706)	(12,748)
Proceeds from sale of property, plant and equipment	23	80	57
Interest received	301	35	116
<b>Net cash (outflow) from investing activities</b>	<b>(5,231)</b>	<b>(5,591)</b>	<b>(12,575)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of preferential shares	-	-	20,922
Proceeds from long term borrowings	-	-	1,250
Repayment of long term borrowings	(4,283)	(3,218)	(12,402)
Proceeds / (repayment) of short term borrowings	2,462	66	(3,254)
Interest paid	(2,460)	(2,132)	(3,995)
Dividend paid	(848)	(660)	(860)
Dividend distribution tax	(174)	(136)	(136)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(5,303)</b>	<b>(6,080)</b>	<b>1,725</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(343)</b>	<b>(1,207)</b>	<b>(808)</b>
Cash and cash equivalents at the beginning of the period/year	706	1,514	1,514
<b>Cash and cash equivalents at the end of the period/year</b>	<b>363</b>	<b>307</b>	<b>706</b>
Cash and cash equivalents as per above comprise of the following:			
Cash on hand	23	19	20
Balance with banks	340	288	686
	<b>363</b>	<b>307</b>	<b>706</b>

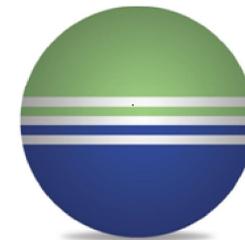
**Note:**

- a) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Statement of cash flows".  
 b) Figures in brackets indicate cash outflow





**Subros**



*Cooling the Planet*

*Financial Results – Quarter 2, FY 2019-20*

**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.*

## **Financial Results & Highlights for the Quarter**

**Results Analysis - HY 1 FY 2019-20 v/s HY 1 FY 2018-19**

**Results Analysis - Q2 FY 2019-20 v/s Q2 FY 2018-19**

**Results Analysis - Q2 FY 2019-20 v/s Q1 FY 2019-20**

**Way Forward**



- Overall Revenue de-growth by 12% in Q2 FY 2019-20 from corresponding quarter, however Industry has shown de-growth of 16% on Production basis & 24% on Sales basis
- Home AC business generated Revenue of Rs. 31 crores in Q2 FY 2019-20 and a total revenue of Rs. 93 crores in Half Year FY 2019-20

### Financial Highlights for Q2 FY 2019-20

Indicator	Amount (Rs. in Crs)	Growth*
Revenues	496.48	-12% ↓
EBIDTA	50.79	-22% ↓
PBT (before exceptional)	19.08	-40% ↓
PBT (after exceptional)	19.08	-40% ↓
PAT	13.24	-44% ↓

### Financial Highlights for HY 1 FY 2019-20

Indicator	Amount (Rs. in Crs)	Growth*
Revenues	1068.72	-2% ↓
EBIDTA	108.23	-14% ↓
PBT (before exceptional)	40.49	-33% ↓
PBT (after exceptional)	81.78	+44% ↑
PAT	55.00	+29% ↑

\* The comparison is with the corresponding Quarter 2 FY 2018-19 and corresponding period HY 1 FY 2018-19, respectively



PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
Net Sales	49,613	57,179	56,336	1,06,792	1,09,444	2,12,098
Other Operating Income	35	45	67	80	128	350
<b>Net Income from Operation</b>	<b>49,648</b>	<b>57,224</b>	<b>56,403</b>	<b>1,06,872</b>	<b>1,09,572</b>	<b>2,12,448</b>
Other Income	674	231	576	905	987	1,025
<b>Net Revenue</b>	<b>50,322</b>	<b>57,455</b>	<b>56,979</b>	<b>1,07,777</b>	<b>1,10,559</b>	<b>2,13,473</b>
Raw Material Consumed	35,301	40,858	39,623	76,159	76,983	1,48,405
Total Material cost % to Net Sales	71.15%	71.46%	70.33%	71.32%	70.34%	69.97%
Staff Cost	5,218	5,554	5,359	10,772	10,619	20,646
Staff cost % to Net Sales	10.52%	9.71%	9.51%	10.09%	9.70%	9.73%
Other Exp.	4,724	5,299	5,490	10,023	10,340	20,587
Other Exps. % to Net Sales	9.52%	9.27%	9.75%	9.39%	9.45%	9.71%
<b>EBIDTA</b>	<b>5,079</b>	<b>5,744</b>	<b>6,507</b>	<b>10,823</b>	<b>12,617</b>	<b>23,835</b>
<b>% to Net Sales</b>	<b>10.24%</b>	<b>10.05%</b>	<b>11.55%</b>	<b>10.13%</b>	<b>11.53%</b>	<b>11.24%</b>
Depreciation and Amortisation exp	2,256	2,153	1,991	4,409	3,867	7,885
Depreciation % to Net Sales	4.55%	3.76%	3.53%	4.13%	3.53%	3.72%
Interest	915	1,450	1,334	2,365	2,736	4,219
Interest cost % to Net Sales	1.84%	2.54%	2.37%	2.21%	2.50%	1.99%
<b>Net Profit/(Loss)</b>	<b>1,908</b>	<b>2,141</b>	<b>3,182</b>	<b>4,049</b>	<b>6,014</b>	<b>11,731</b>
<b>% to Net Sales</b>	<b>3.85%</b>	<b>3.75%</b>	<b>5.65%</b>	<b>3.79%</b>	<b>5.50%</b>	<b>5.53%</b>
Exceptional Items	--	4129	--	4129	(334)	(334)
<b>Profit from Ordinary Activities</b>	<b>1,908</b>	<b>6,270</b>	<b>3,182</b>	<b>8,178</b>	<b>5,680</b>	<b>11,397</b>
% to Net Sales	3.85%	10.97%	5.65%	7.66%	5.19%	5.37%
(a) Current Tax	69	1,351	683	1,420	1,235	2,408
(b) Deferred Tax	515	743	118	1,258	171	1,376
<b>Total Tax</b>	<b>584</b>	<b>2,094</b>	<b>801</b>	<b>2,678</b>	<b>1,406</b>	<b>3,784</b>
<b>Net Profit after Tax/(Loss)</b>	<b>1,324</b>	<b>4,176</b>	<b>2,381</b>	<b>5,500</b>	<b>4,274</b>	<b>7,613</b>
<b>% to Net Sales</b>	<b>2.67%</b>	<b>7.30%</b>	<b>4.23%</b>	<b>5.15%</b>	<b>3.91%</b>	<b>3.59%</b>
Other Comprehensive Income (net of tax)	(52)	(25)	(1)	(77)	(2)	(203)
<b>Total Comprehensive Income</b>	<b>1,272</b>	<b>4,151</b>	<b>2,380</b>	<b>5,423</b>	<b>4,272</b>	<b>7,410</b>
% to Net Sales	2.56%	7.26%	4.22%	5.08%	3.90%	3.49%
EPS	2.03	6.40	3.97	8.43	7.12	12.35

**Financial Results & Highlights for the Quarter**

**Results Analysis - HY 1 FY 2019-20 v/s HY 1 FY 2018-19**

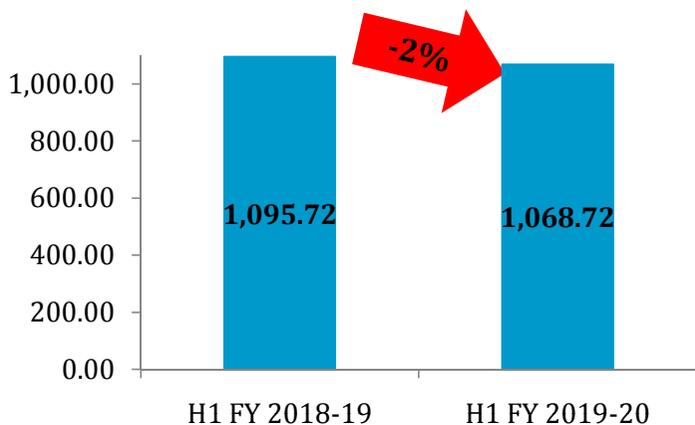
**Results Analysis - Q2 FY 2019-20 v/s Q2 FY 2018-19**

**Results Analysis - Q2 FY 2019-20 v/s Q1 FY 2019-20**

**Way Forward**

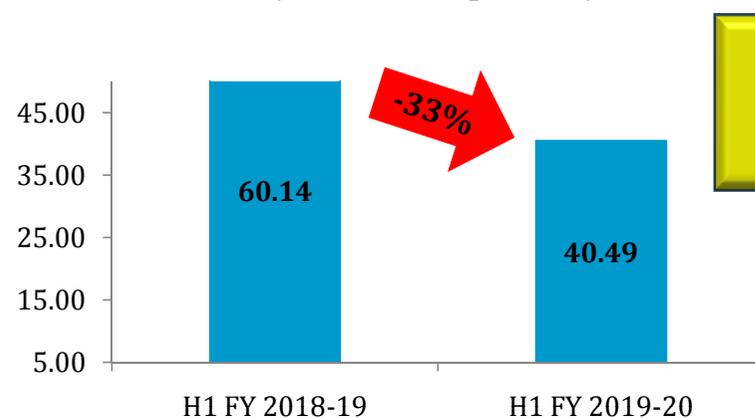


## Revenues



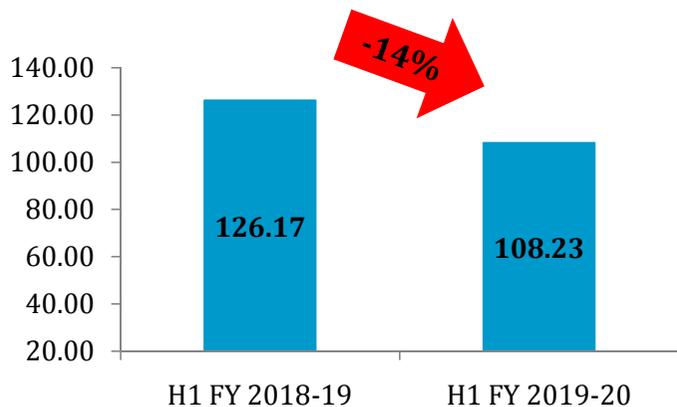
Recorded revenue de-growth of 2% in HY 1 FY 2019-20

## PBT (before exceptional)



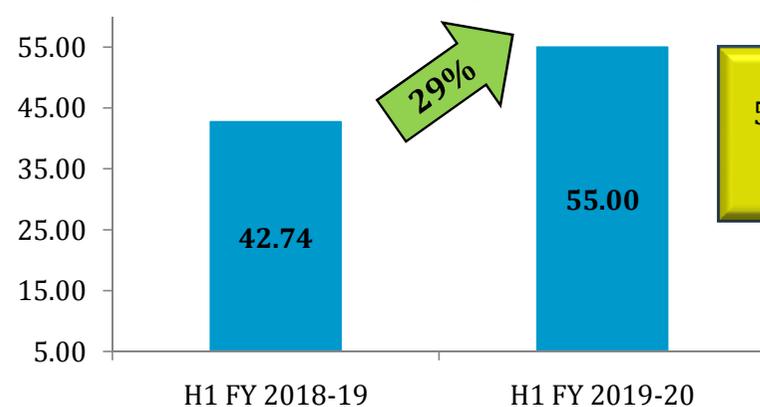
PBT (before exceptional) stands at 3.79% agst. 5.50%

## EBIDTA



EBIDTA realization @ 10.13% against 11.53%

## Profit After Tax



PAT Levels at 5.15% of sales as against 3.91%



Indicators	HY 1 FY 2019-20	HY 1 FY 2018-19	Change	Status
Net Sales	1,067.92	1,094.44	-26.52	●
Other Income	9.05	9.87	-0.82	●
Material Cost	71.32%	70.34%	0.98	●
Employee Cost	10.09%	9.70%	0.39	●
Other Expenses	9.39%	9.45%	-0.06	●
Op. EBIDTA	10.13%	11.53%	-1.40	●
Finance Cost	2.21%	2.50%	-0.29	●
Depreciation	4.13%	3.53%	0.60	●
PBT (before exceptional)	3.79%	5.50%	-1.71	●
PBT (after exceptional)	7.66%	5.19%	2.47	●
PAT	5.15%	3.91%	1.24	●

### Key Aspects:

- Overall business de-growth by 12% driven by industry de-growth of approx 24% with business decline in major OEM customers such as MSIL, TATA, M&M.

- The decrease in sales was mitigated through higher revenues in Renault Nissan and Bus AC After market and added Home AC Business sales of Rs. 93 crores

- Material cost is higher due to change in product mix and product segment

- Finance cost includes one time impact of Rs. 7.08 crores being interest paid for enhanced compensation from HSIIDC for IMT Manesar land

- PAT is higher due to exceptional income of Rs. 41.29 crores accrued via settlement of Manesar fire claim on restatement basis

- Depreciation is higher due to drop in Sales & impact of projects capitalized

●	Positive	●	Moderate - variation upto 5%	●	Negative - variation exceeding 5%
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**Financial Results & Highlights for the Quarter**

**Results Analysis - HY 1 FY 2019-20 v/s HY 1 FY 2018-19**

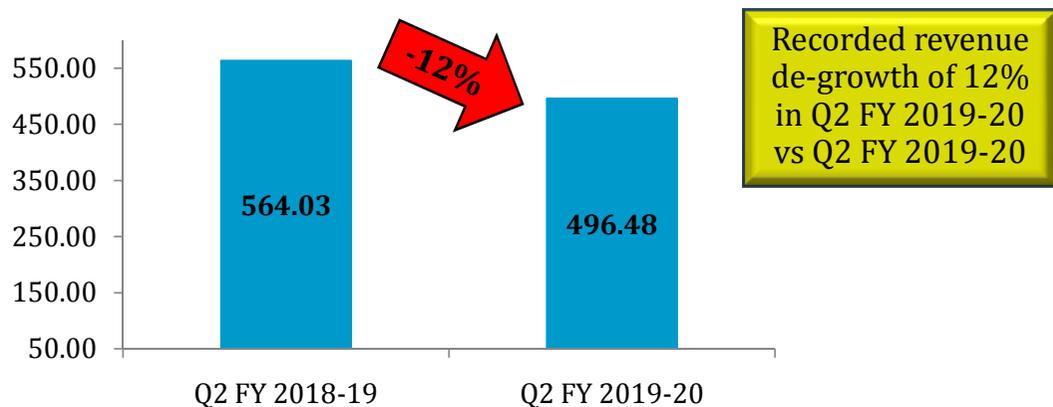
**Results Analysis - Q2 FY 2019-20 v/s Q2 FY 2018-19**

**Results Analysis - Q2 FY 2019-20 v/s Q1 FY 2019-20**

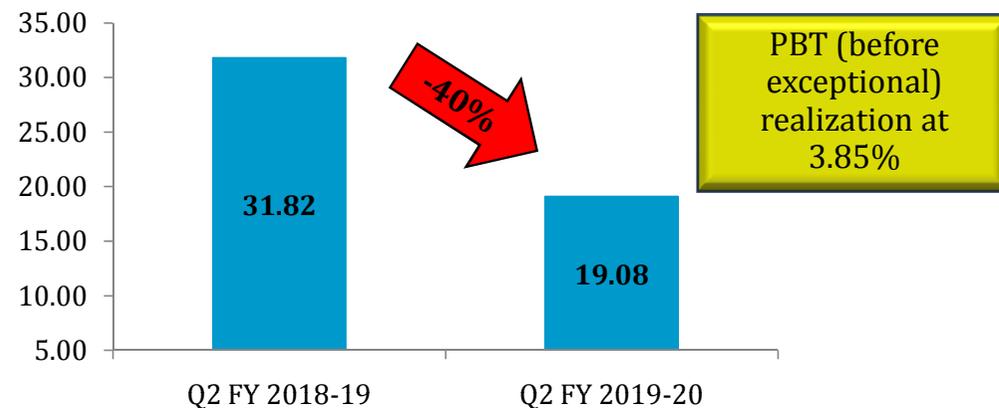
**Way Forward**



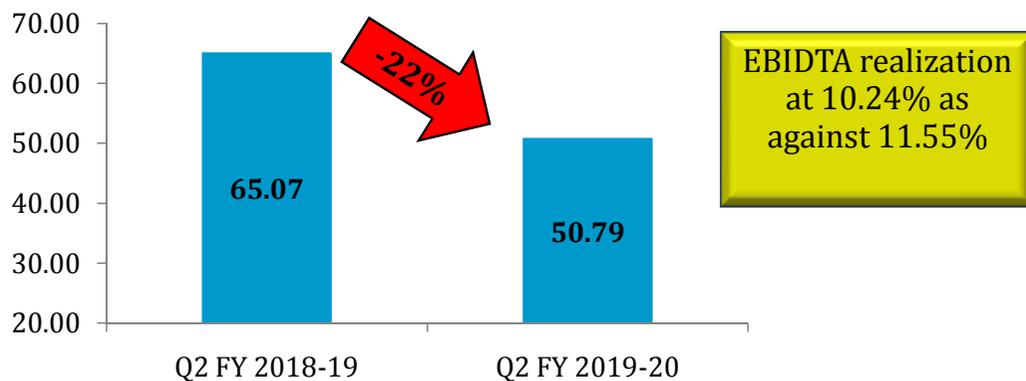
## Revenues



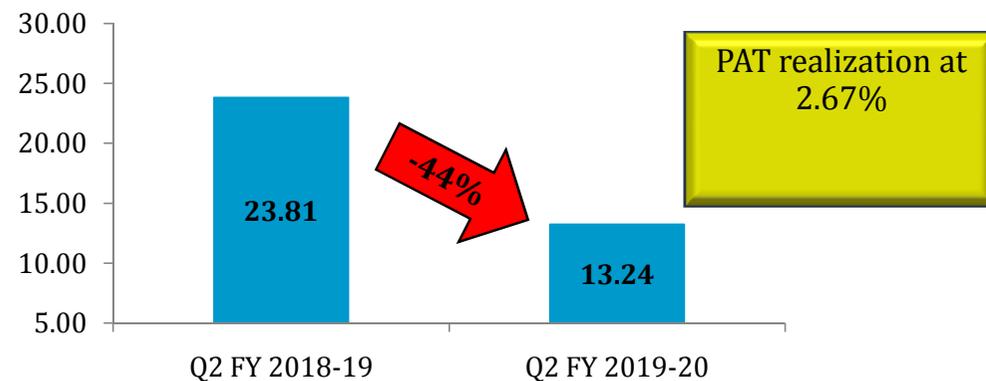
## PBT (before exceptional)



## EBIDTA



## Profit After Tax





Indicators	Q2 FY 2019-20	Q2 FY 2018-19	Change	Status
Net Sales	496.13	563.36	-67.23	●
Other Income	6.74	5.76	0.98	●
Material Cost	71.15%	70.33%	0.82	●
Employee Cost	10.52%	9.51%	1.01	●
Other Expenses	9.52%	9.75%	-0.23	●
Op. EBIDTA	10.24%	11.55%	-1.31	●
Finance Cost	1.84%	2.37%	-0.53	●
Depreciation	4.55%	3.53%	1.02	●
PBT (before exceptional)	3.85%	5.65%	-1.80	●
PBT (after exceptional)	3.85%	5.65%	-1.80	●
PAT	2.67%	4.23%	-1.56	●

**Key Aspects:**

- Sales de-growth with decline in OEM customer business such as MSIL, TML & M&M
- Material cost is higher due to change in product mix and product segment
- Manpower cost is higher due to lower sales in current quarter, however in absolute terms it has reduced as a result of cost reduction measures taken such as consolidation, shift rationalization etc.
- Depreciation is higher due to drop in Sales & impact of projects capitalized

● <b>Positive</b>	● <b>Moderate - variation upto 5%</b>	● <b>Negative - variation exceeding 5%</b>
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**Financial Results & Highlights for the Quarter**

**Results Analysis - HY 1 FY 2019-20 v/s HY 1 FY 2018-19**

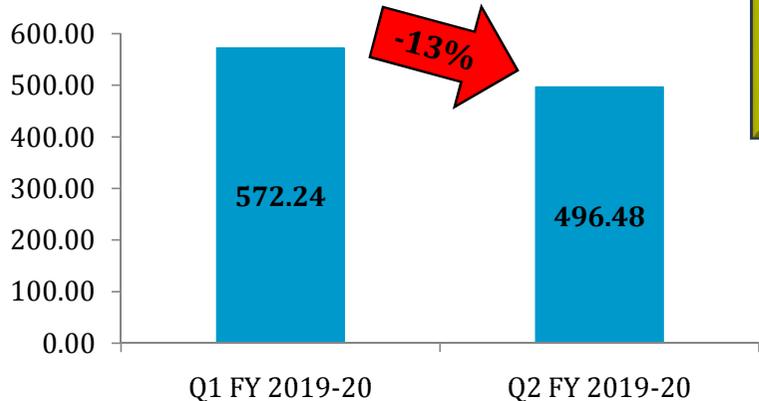
**Results Analysis - Q2 FY 2019-20 v/s Q2 FY 2018-19**

**Results Analysis - Q2 FY 2019-20 v/s Q1 FY 2019-20**

**Way Forward**

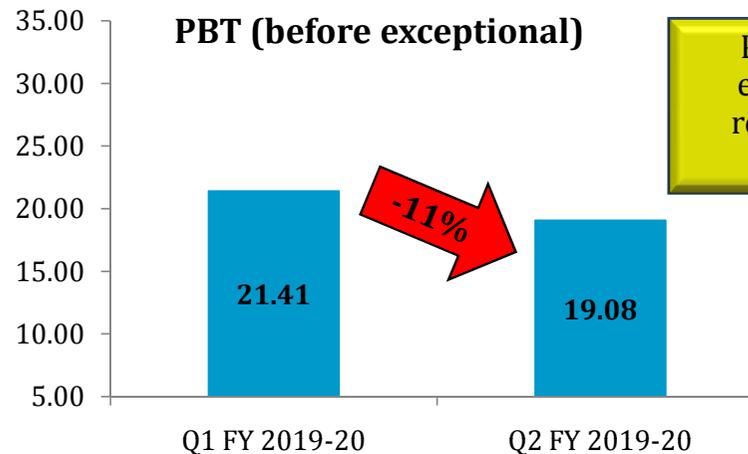


**Revenues**



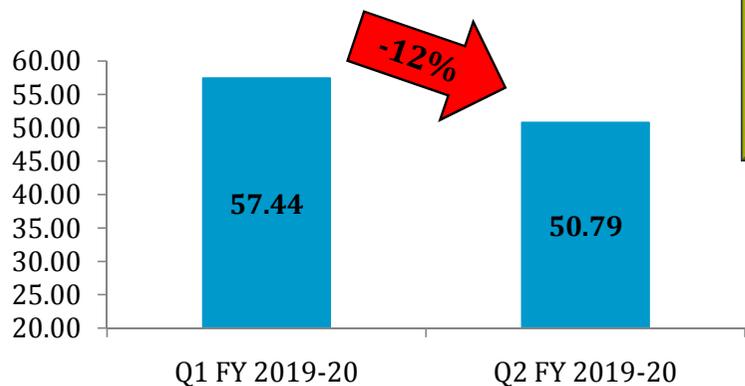
Recorded revenue de-growth of 13% in Q2 FY 2019-20 vs Q1 FY 19-20

**PBT (before exceptional)**



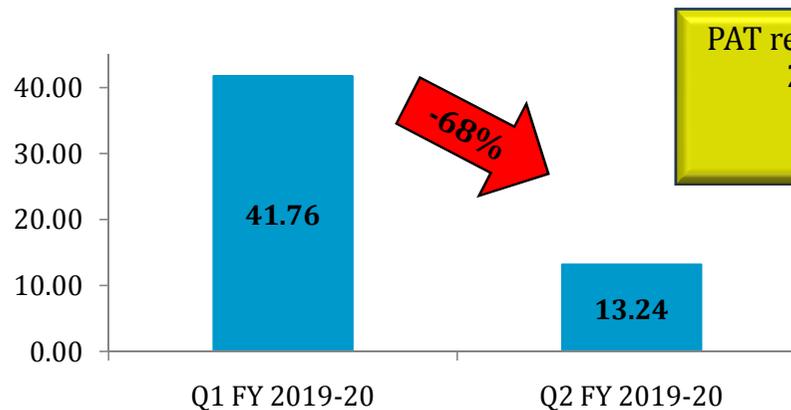
PBT (before exceptional) realization at 3.85%

**EBIDTA**



EBIDTA realization at 10.24% as against 10.05%

**Profit After Tax**



PAT realization at 2.67%



Indicators	Q2 FY 2019-20	Q1 FY 2019-20	Change	Status
Net Sales	496.13	571.79	-75.66	●
Other Income	6.74	2.31	4.43	●
Material Cost	71.15%	71.46%	-0.31	●
Employee Cost	10.52%	9.71%	0.81	●
Other Expenses	9.52%	9.27%	0.25	●
Op. EBIDTA	10.24%	10.05%	0.19	●
Finance Cost	1.84%	2.54%	-0.70	●
Depreciation	4.55%	3.76%	0.79	●
PBT (before exceptional)	3.85%	3.75%	0.10	●
PBT (after exceptional)	3.85%	10.97%	-7.12	●
PAT	2.67%	7.30%	-4.63	●

●	<i>Positive</i>	●	<i>Moderate - variation upto 5%</i>	●	<i>Negative - variation exceeding 5%</i>
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### **Key Aspects:**

- Sales de-growth with decline in OEM customer business such as MSIL, TML & M&M, mitigated through sales increase in business from FML & Renault Nissan
- Manpower cost is higher due to lower sales in current quarter, however in absolute terms it has reduced as a result of cost reduction measures taken such as consolidation, shift rationalization etc.
- Other expenses have reduced in absolute terms due to cost controls measures taken in the areas of Admin such as Travelling, Repair & Maint, Power & Fuel etc.
- Depreciation is higher due to impact of projects capitalized
- Finance cost in Q1 FY 2019-20 has impact of one time interest cost of Rs. 7.08 crores for enhanced compensation from HSIIDC for IMT Manesar land
- PAT is higher in Q1 FY 2019-20 due to exceptional income of Rs. 41.29 crs accrued via settlement of Manesar fire claim on restatement basis

**Financial Results & Highlights for the Quarter**

**Results Analysis - HY 1 FY 2019-20 v/s HY 1 FY 2018-19**

**Results Analysis - Q2 FY 2019-20 v/s Q2 FY 2018-19**

**Results Analysis - Q2 FY 2019-20 v/s Q1 FY 2019-20**

**Way Forward**



**Market and Revenue Potential**

- Growth in Line with Indian Car, CV Segment and Home AC Segment ●
- Business Expansion in Bus, Railways, Truck AC and Refrigeration Trucks (Growth >10% over last year) ●
- Preparation to meet all regulatory changes including BSVI, CAFÉ and EV ●

**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) ●
- Cost Optimization by Consolidation of Plants/Shift Optimization/Working days (Improvement in EBIDTA & ROCE) ■
- Control over Capital Expenditure ■



Thank You

[www.subros.com](http://www.subros.com)

No.CTL/DEB/19-20/Noting Certificate  
22<sup>nd</sup> October,2019

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

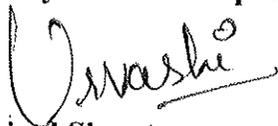
## CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[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 half year ended 30<sup>th</sup> September,2019.

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**

