

No.CTL/DEB/19-20/Noting Certificate
21st May,2019

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

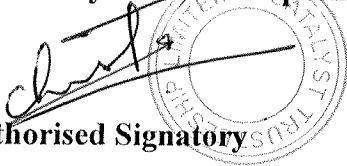
CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[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 31st March,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

Encl: Results submitted by Company

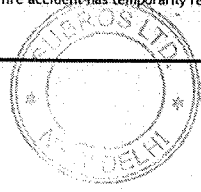


STATEMENT OF UNAUDITED/AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31st MARCH, 2019

(Rs. in lakhs)

S. No.	Particulars	STANDALONE Quarter ended			STANDALONE Year ended		CONSOLIDATED Year ended	
		31st March, 2019 (UNAUDITED) (Refer note 13)	31st December, 2018 (UNAUDITED)	31st March, 2018 (UNAUDITED) (Refer note 13)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)
I	Revenue from operations (Refer Note 8)	51,807	51,069	55,215	212,448	196,956	212,448	196,956
II	Other Income	193	(155)	(41)	1025	743	1030	738
III	Total Revenue (I + II)	52,000	50,914	55,174	213,473	197,699	213,478	197,694
IV	Expenses							
	a) Cost of materials consumed	36,269	34,481	37,387	148,503	133,450	148,503	133,450
	b) Changes in inventories of finished goods and work-in progress	(33)	705	768	(98)	45	(98)	45
	c) Excise Duty	-	-	-	-	5,667	-	5,667
	d) Employee benefits expense	4,891	5,136	5,427	20,646	18,812	20,657	18,822
	e) Finance costs	682	801	1,146	4,219	4,121	4,219	4,121
	f) Depreciation and amortization expense	2,064	1,954	2,419	7,885	9,200	7,885	9,200
	g) Other expenses	5,183	5,064	5,264	20,587	17,984	20,569	17,986
	Total expenses (IV)	49,056	48,141	52,411	201,742	189,279	201,735	189,291
V	Share of profits/(losses) of Joint Venture accounted for using equity method	-	-	-	-	-	(1)	11
VI	Profit/(Loss) before exceptional items and tax (III - IV + V)	2,944	2,773	2,763	11,731	8,420	11,742	8,414
VII	Exceptional Items (Refer Note 7)	-	-	-	(334)	(182)	(334)	(182)
VIII	Profit/(Loss) before tax (VI + VII)	2,944	2,773	2,763	11,397	8,238	11,408	8,232
IX	Tax expense							
	(a) Current Tax	571	602	612	2408	1,787	2408	1,788
	(b) Deferred Tax	753	452	297	1376	369	1376	388
X	Profit/(Loss) for the period/year (VIII - IX)	1,620	1,719	1,859	7,613	6,062	7,624	6,056
XI	Other Comprehensive Income							
	Items that will be reclassified to profit or loss							
	(a) Exchange differences on translation of foreign operations	-	-	-	-	-	(3)	(3)
	(b) Income tax relating to above item	-	-	-	-	-	1	1
	Items that will not be reclassified to profit or loss							
	(c) Gain/(Loss) of defined benefit obligations	(306)	(2)	14	(312)	(7)	(312)	(7)
	(d) Share of other comprehensive income of Joint Venture accounted for using equity method	-	-	-	-	-	-	-
	(e) Income tax relating to above	106	1	(4)	109	2	109	1
	Other Comprehensive Income for the period/year (net of tax) (a+b+c+d+e)	(200)	(1)	10	(203)	(5)	(205)	(8)
XII	Total Comprehensive Income for the period/year (X + XI)	1,420	1,718	1,869	7,410	6,057	7,419	6,048
XIII	Paid-up equity share capital	1,305	1,305	1,200	1,305	1,200	1,305	1,200
XIV	Face value of share (Rs.)	2	2	2	2	2	2	2
XV	Earnings per share (of Rs. 2 each) (not annualized)							
	Basic	2.44	2.80	3.10	12.35	10.11	12.37	10.09
	Diluted	2.44	2.80	3.10	12.35	10.11	12.37	10.09

- Notes:
- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 21st May, 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/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.
 - Effective 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective method, which is applied to contracts as of 1st April, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was not material to the financial results for the quarter and year ended 31st March, 2019.
 - 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 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. 7.35 Lakhs and Rs. 21.35 Lakhs during the quarter and year ended 31st March, 2019. Accordingly, the financial statements for the subsidiary for the year ended 31st March, 2019 have been prepared on liquidation basis.
 - 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.
 - a) The Company has introduced a Voluntary Separation Scheme to provide an opportunity to the workmen of Pune Plant to opt for early separation to optimise on manpower cost and productivity improvement and incurred one time expenditure of Rs. 334 Lakhs during the quarter ended 30th June, 2018. This has been disclosed as Exceptional Item.
 b) 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 amount of Rs.50.66 crores has been received from the insurance company on 25th April, 2019 against the claim lodged. Special/urgent actions to restart supplies to the customers post fire accident has temporarily resulted into additional costs incurred during the year ended 31st March, 2018 which have been disclosed as Exceptional Item.



- B. 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 year ended 31st March, 2018 is not strictly relatable to current period numbers. The following additional information is being provided to facilitate such understanding.

(Rs. in lakhs)

Particulars	Standalone Quarter ended			Standalone Year ended		Consolidated Year ended	
	31st March, 2019 (UNAUDITED)	31st December, 2018 (UNAUDITED)	31st March, 2018 (UNAUDITED)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)
Revenue from operations	51,807	51,069	55,215	212,448	196,956	212,448	196,956
Less: Excise Duty	-	-	-	-	5,667	-	5,667
Revenue from operations excluding Excise Duty	51,807	51,069	55,215	212,448	191,289	212,448	191,289

- 9 The Company has issued 5,247,150 equity shares at a price of Rs 400 per equity share (face value of Rs 2 each) on preferential basis to Denso Corporation, Japan on 7th December, 2018.
- 10 The Board of directors have recommended a final dividend of Rs.1.30/equity share (65% on face value of equity shares of Rs.2 each) for the year ended 31st March, 2019. The dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company.
- 11 The Company has issued Listed Redeemable 8.50% Non-Convertible Debentures (NCDs) aggregating to Rs. 5,000 Lakhs on 22nd August, 2017.

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, 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 31st March, 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 March, 2019 (Rs. 27.95 lakhs) and the same has been paid within the due date. Previous due date for repayment of principal amount was 30th April, 2018 (Rs. 1,000 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 April, 2019 (Rs. 28.88 lakhs). The next due date for payment of principal of NCDs is 30th April, 2019 (Rs. 2,000 lakhs).

Particulars	31st March, 2019	31st March, 2018
e) Debt-equity ratio	0.36	0.95
f) Debt Service Coverage Ratio	0.95	1.07
g) Interest Service Coverage Ratio	7.58	5.35
h) Debenture Redemption Reserve (Rs. in Lakhs)	1,000	1,250
i) Net worth (Rs. in Lakhs)	68,013	40,477
j) Paid up Debt Capital (Rs. in Lakhs)	4,000	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) Network = Share Capital + Reserves and Surplus (excluding Revaluation Reserve and Amalgamation Reserve)
- 12 Deferred tax is after adjusting Minimum Alternate Tax credit entitlement.
- 13 Figures for the quarters ended 31st March, 2019 and 2018 represent the difference between the audited figures in respect of full financial years and the published figures for the nine months ended 31st December, 2018 and 2017, respectively which were subject to limited review.
- 14 The previous period figures have been regrouped/rearranged/reclassified, wherever necessary.

For and on behalf of the Board of Directors

SUBROS LIMITED

RAMESH SURJ
CHAIRMAN



Place : New Delhi

Dated : 21st May, 2019