



SL/BSE/NSE/19

February 6, 2019

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

Dear Sir/Madam

Sub: Outcome of Board Meeting

Reference is made to the letter dated 28.01.2019 from the National Stock Exchange of India Ltd. (NSE) regarding the outcome of the Board Meeting of the National Stock Exchange of India Ltd. (NSE) held on 28.01.2019.

The Board of Directors of the National Stock Exchange of India Ltd. (NSE) has considered the letter dated 28.01.2019 from the National Stock Exchange of India Ltd. (NSE) regarding the outcome of the Board Meeting of the National Stock Exchange of India Ltd. (NSE) held on 28.01.2019. The Board has decided to accept the recommendations of the Board of Directors of the National Stock Exchange of India Ltd. (NSE) regarding the outcome of the Board Meeting of the National Stock Exchange of India Ltd. (NSE) held on 28.01.2019.

The Board of Directors of the National Stock Exchange of India Ltd. (NSE) has decided to accept the recommendations of the Board of Directors of the National Stock Exchange of India Ltd. (NSE) regarding the outcome of the Board Meeting of the National Stock Exchange of India Ltd. (NSE) held on 28.01.2019.

The Board of Directors of the National Stock Exchange of India Ltd. (NSE) has decided to accept the recommendations of the Board of Directors of the National Stock Exchange of India Ltd. (NSE) regarding the outcome of the Board Meeting of the National Stock Exchange of India Ltd. (NSE) held on 28.01.2019.

Yours faithfully,
[Signature]

[Name]
[Designation]

SUBROS LIMITED

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31st DECEMBER, 2018

(Rs. In Lakhs)

	Quarter ended			Nine Months ended		Year ended
	31st December	10th September	31st December	31st December	31st December	31st March
Revenue	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
Cost of Sales	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)	(80,000)
Gross Profit	20,000	20,000	20,000	20,000	20,000	20,000
Operating Expenses	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Operating Profit	10,000	10,000	10,000	10,000	10,000	10,000
Finance Income	5,000	5,000	5,000	5,000	5,000	5,000
Finance Expenses	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Profit before tax	13,000	13,000	13,000	13,000	13,000	13,000
Tax Expense	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Profit after tax	10,000	10,000	10,000	10,000	10,000	10,000

VI	Exceptional Items (Refer Note 7)	-	-	-	(334)	(182)	(182)
VII	Profits/(Loss) before tax (VI + V)	8,778	8,778	8,778	8,453	8,453	8,238
VIII	Tax expense	-	-	-	-	-	-

IX	Profit/(Loss) after tax (VII + VIII)	8,778	8,778	8,778	8,453	8,453	8,238
X	Other Comprehensive Income	-	-	-	-	-	-
XI	Profit/(Loss) for the period (IX + X)	8,778	8,778	8,778	8,453	8,453	8,238
XII	Other Comprehensive Expense	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
XIII	Profit/(Loss) for the period (XI + XII)	7,778	7,778	7,778	7,453	7,453	7,238
XIV	Other Comprehensive Income	-	-	-	-	-	-
XV	Profit/(Loss) for the period (XIII + XIV)	7,778	7,778	7,778	7,453	7,453	7,238

The above financial results are unaudited and are subject to audit by the Statutory Auditors. The results are subject to change upon audit.

The results are subject to change upon audit.

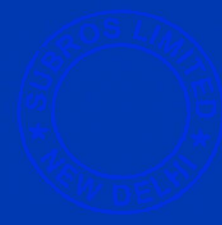
The results are subject to change upon audit.

The results are subject to change upon audit.

The results are subject to change upon audit.



Signature



8 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 nine months ended 31st December, 2017 and year ended 31st March, 2018 are not strictly relatable to current period numbers. The following additional information is being provided to facilitate such understanding.

(Rs. In Lakhs)

Particulars	Quarter ended			Nine Months ended		Year ended
	31st December, 2018 (UNAUDITED)	30th September, 2018 (UNAUDITED)	31st December, 2017 (UNAUDITED)	31st December, 2018 (UNAUDITED)	31st December, 2017 (UNAUDITED)	31st March, 2018 (AUDITED)

For and on behalf of the Board

 Director



2018-19

Price Waterhouse Chartered Accountants LLP

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 ended December 31, 2018 which are included in the accompanying Statement of standalone unaudited financial results for the quarter and nine months ended December 31, 2018 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 in this regard, 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 of the Listing Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 in this regard.



Subros



Cooling the Planet

Financial Results – Quarter 3, FY 2018-19

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

Results Analysis - Nine Months FY 2018-19 v/s Nine months FY 2017-18

Results Analysis - Q3 FY 2018-19 v/s Q3 FY 2017-18

Results Analysis - Q3 FY 2018-19 v/s Q2 FY 2018-19

Way Forward



- *Steady growth in revenues in dynamic market situation*
- *Strong operational performance in Nine Months in FY 2018-19 with 18% growth in sales and 18% growth in EBITDA*
- *PBT (before exceptional) grew by 55%*
- *Growth of 43% in post tax profitability in Nine months FY 2018-19*

Financial Highlights Quarter 3 FY 2018-19

Indicator	Amt. (Rs. In crs)	Growth*
Revenues	510.69	14% ↑
EBIDTA	55.28	6% ↑
PBT (before exceptional)	27.73	55% ↑
PAT	17.18	5% ↑

Financial Highlights Nine Months FY 2018-19

Indicator	Amt (Rs. In crs)	Growth*
Revenues	1,606.41	18% ↑
EBIDTA	181.45	18% ↑
PBT (before exceptional)	87.87	55% ↑
PAT	59.90	43% ↑

* The comparison with the corresponding period



PARTICULARS	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
Net Sale	50191	56336	44756	159635	135900	190751
Other Operating Inco	878	67	121	1006	174	538
Net Income from Operation	51069	56403	44877	160641	136074	191289
Other Incom	-155	576	436	832	784	743
Net Revenue	50914	56979	45313	161473	136858	192032
Raw Material Consum	35185	39623	31045	112168	95340	133495
Total Material cost % to Net	70.10%	70.33%	69.37%	70.27%	70.15%	69.98%
Staff Co	5136	5359	4761	15755	13385	18812
Staff cost % to Net :	10.23%	9.51%	10.64%	9.87%	9.85%	9.86%
Other Exp	5065	5490	4306	15404	12720	17984
Other Exps. % to Net S	10.09%	9.75%	9.62%	9.65%	9.36%	9.43%
EBIDTA	5528	6507	5201	18145	15413	21741
% to Net Sales	11.01%	11.55%	11.62%	11.37%	11.34%	11.40%
Depreciation and Amortisation	1954	1991	2396	5821	6781	9200
Depreciation % to Net S:	3.89%	3.53%	5.35%	3.65%	4.99%	4.82%
Interes	801	1334	1015	3537	2975	4121
Interest cost % to Net :	1.60%	2.37%	2.27%	2.22%	2.19%	2.16%
Net Profit/(Loss)	2773	3182	1790	8787	5657	8420
% to Net Sales	5.52%	5.65%	4.00%	5.50%	4.16%	4.41%
Exceptional Item	0	0	0	-334	-182	-182
Profit from Ordinary Activities	2773	3182	1790	8453	5475	8238
% to Net Sal	5.52%	5.65%	4.00%	5.30%	4.03%	4.32%
(a) Current Tax	602	683	384	1837	1175	1787
(b) Deferred Tax	452	118	-237	623	97	389
Net Profit after Tax/(Loss)	1719	2381	1643	5993	4203	6062
% to Net Sales	3.42%	4.23%	3.67%	3.75%	3.09%	3.18%
Other Comprehensive Income (net o	-1	-1	-5	-3	-15	-5
Total Comprehensive Income	1718	2380	1638	5990	4188	6057
% to Net Sal	3.42%	4.22%	3.66%	3.75%	3.08%	3.18%
EPS	2.80	3.97	2.74	9.91	7.01	10.11

Financial Results & Highlights

Results Analysis - Nine Months FY 2018-19 v/s Nine months FY 2017-18

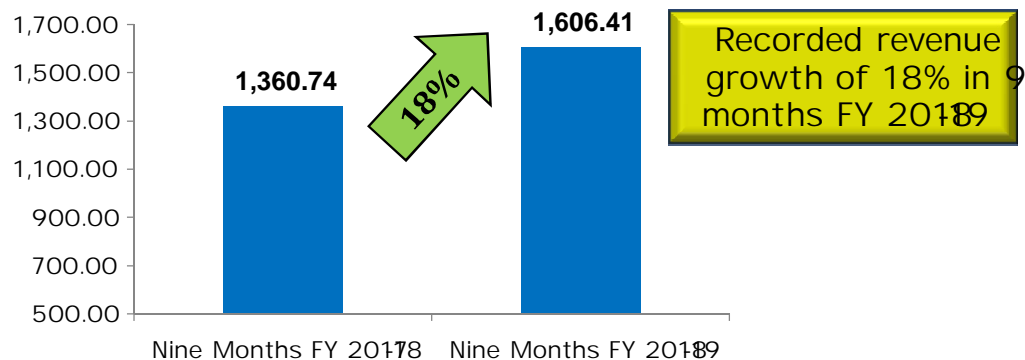
Results Analysis - Q3 FY 2018-19 v/s Q3 FY 2017-18

Results Analysis - Q3 FY 2018-19 v/s Q2 FY 2018-19

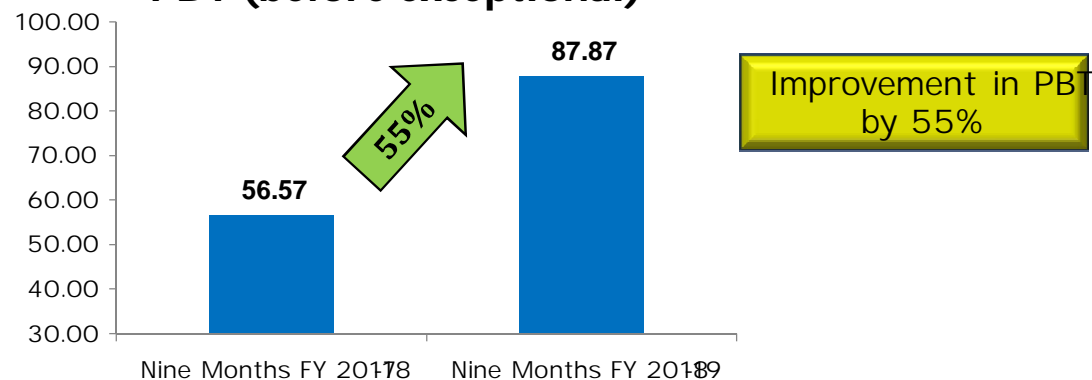
Way Forward



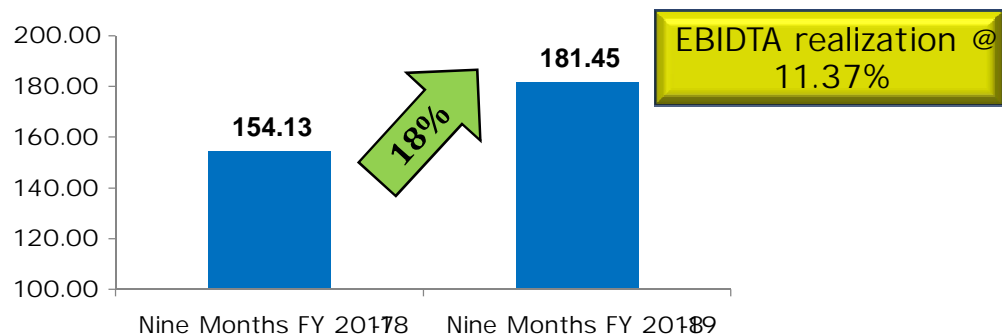
Revenues



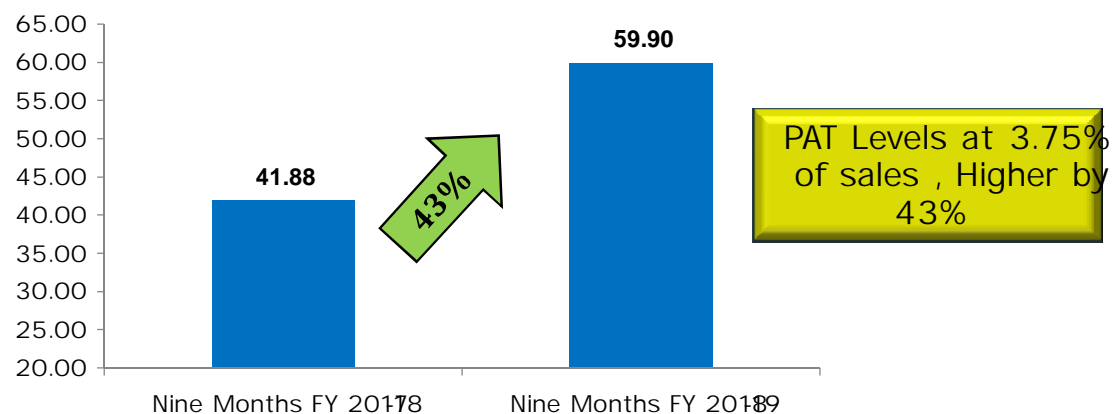
PBT (before exceptional)



EBIDTA



PAT





Indicators	Nine Months FY 2017-18	Nine Months FY 2018-19	Change	Status
Net Sales in crs	1,359.00	1,596.35	237.35	●
Other Income in crs	7.84	8.32	0.48	●
Material Cost	70.15%	70.27%	0.12%	●
Employee Cost	9.85%	9.87%	0.02%	●
Other Expenses	9.36%	9.65%	0.29%	●
Op. EBIDTA	11.34%	11.37%	0.03%	●
Finance Cost	2.19%	2.22%	0.03%	●
Depreciation	4.99%	3.65%	-1.34	●
PBT (before exceptional)	4.16%	5.50%	1.34	●
PAT	3.08%	3.75%	0.67	●

Key Aspects:

- Other expenses are higher due to increase in Freight, Packing material, legal expenses
- Finance cost is high because of MTM loss on foreign currency liabilities as a result of currency depreciation

●	Positive	●	Moderate – variation upto 5%	●	Negative – variation exceeding 5%
---	----------	---	------------------------------	---	-----------------------------------

Financial Results & Highlights

Results Analysis - Nine Months FY 2018-19 v/s Nine months FY 2017-18

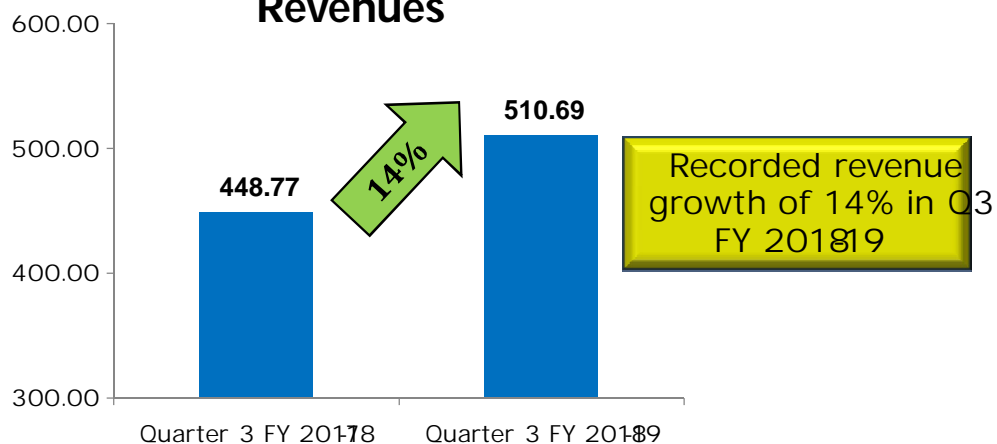
Results Analysis - Q3 FY 2018-19 v/s Q3 FY 2017-18

Results Analysis - Q3 FY 2018-19 v/s Q2 FY 2018-19

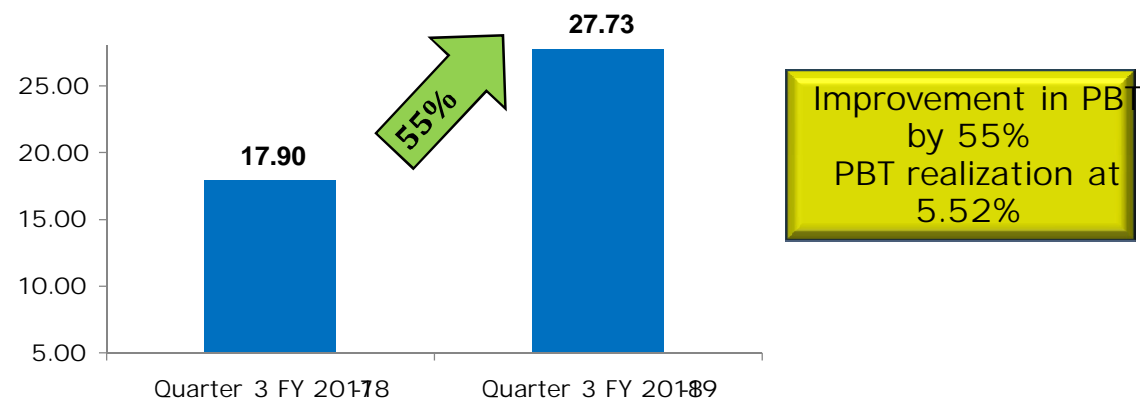
Way Forward



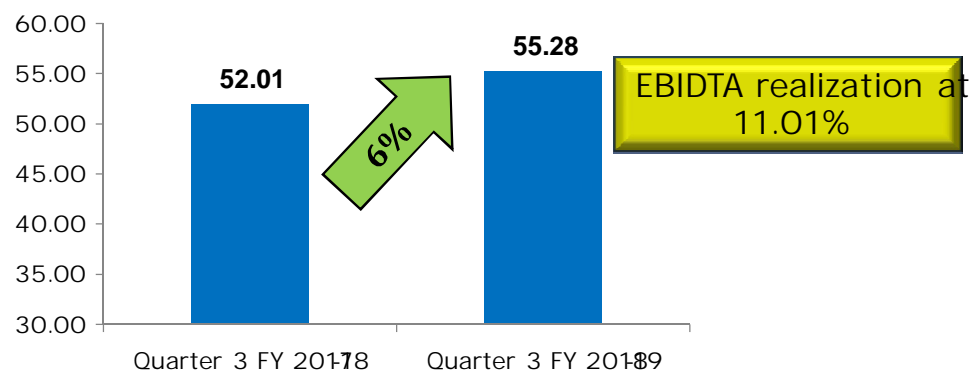
Revenues



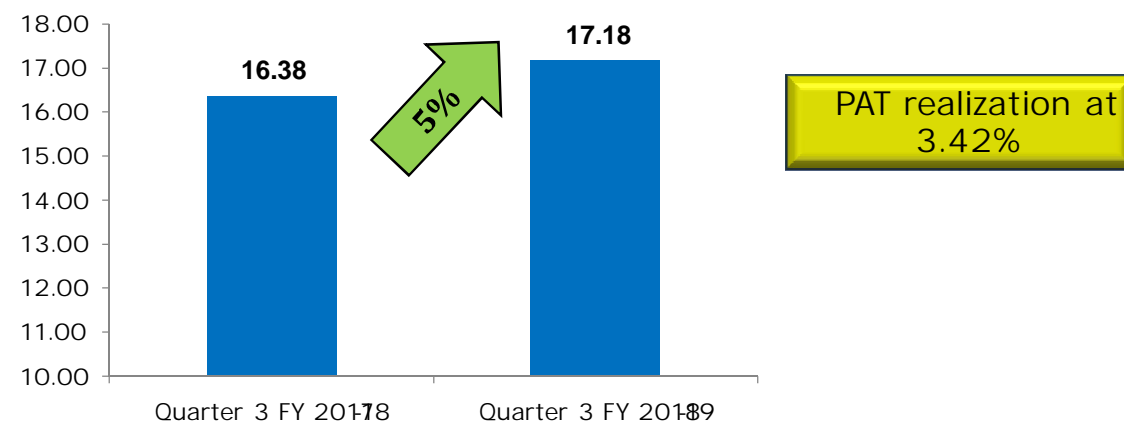
PBT (before exceptional)



EBIDTA



PAT



Indicators	Quarter 3 FY 2017-18	Quarter 3 FY 2018-19	Change	Status
Net Sales in crs	447.56	501.91	54.35	●
Other Income in crs	4.36	-1.55	-5.91	●
Material Cost	69.37%	70.10%	0.73%	●
Employee Cost	10.64%	10.23%	-0.41%	●
Other Expenses	9.62%	10.09%	0.47%	●
Op. EBIDTA	11.62%	11.01%	-0.61%	●
Finance Cost	2.27%	1.60%	-0.67%	●
Depreciation	5.35%	3.89%	-1.46%	●
PBT (before exceptional)	4.00%	5.52%	1.52%	●
PAT	3.66%	3.42%	-0.24%	●

Key Aspects:

- Material cost is slightly increased due to change in product mix, currency depreciation & commodity prices
- Other expenses are higher due to increase in Freight, Packing material, legal expenses
- Other income is negative due to loss incurred on fair value accounting of derivatives after netting off realized currency gain on Hedging etc

●	Positive	●	Moderate – variation upto 5%	●	Negative – variation exceeding 5%
---	----------	---	------------------------------	---	-----------------------------------

Financial Results & Highlights

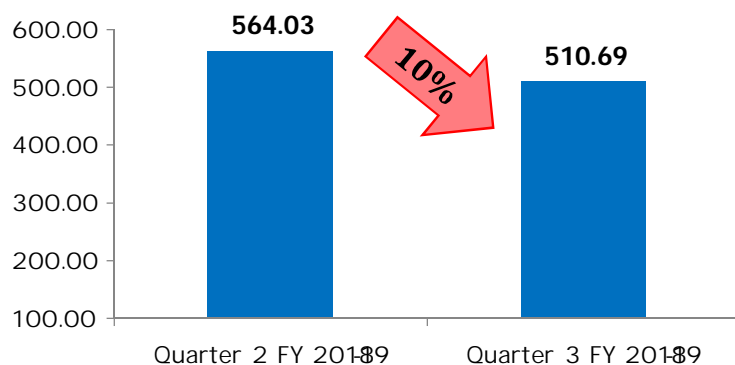
Results Analysis - Nine Months FY 2018-19 v/s Nine months FY 2017-18

Results Analysis - Q3 FY 2018-19 v/s Q3 FY 2017-18

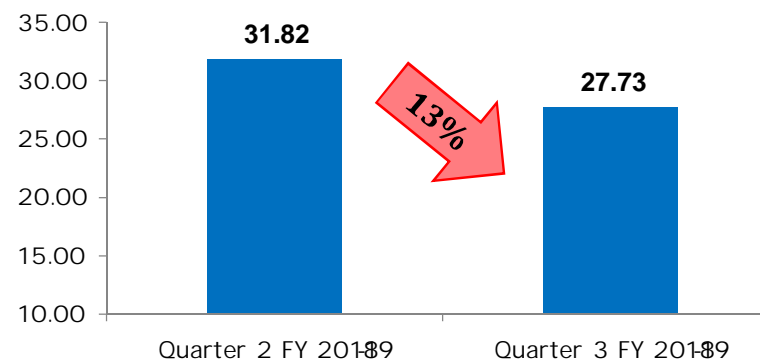
Results Analysis - Q3 FY 2018-19 v/s Q2 FY 2018-19

Way Forward

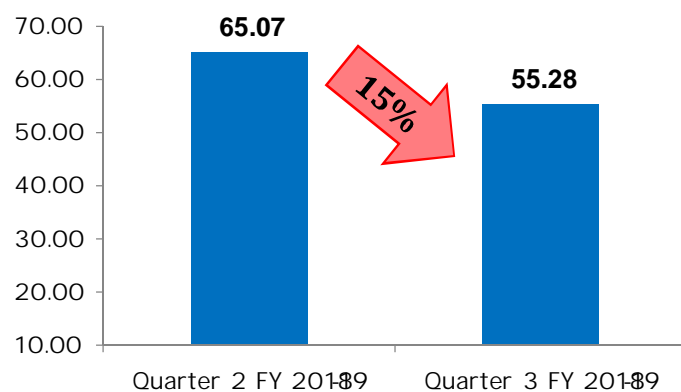
Revenues



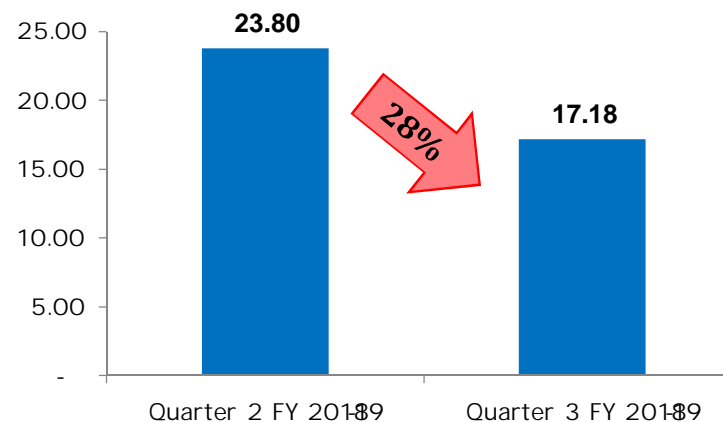
PBT (before exceptional)



EBIDTA



PAT





Indicators	Quarter 2 FY 2018-19	Quarter 3 FY 2018-19	Change	Status
Net Sales in crs	563.36	501.91	-61.45	●
Other Income in crs	5.76	-1.55	-7.31	●
Material Cost	70.33%	70.10%	-0.23%	●
Employee Cost	9.51%	10.23%	0.72%	●
Other Expenses	9.75%	10.09%	0.34%	●
Op. EBIDTA	11.55%	11.01%	-0.54%	●
Finance Cost	2.37%	1.60%	-0.77%	●
Depreciation	3.53%	3.89%	0.36%	●
PBT (before exceptional)	5.65%	5.52%	-0.13%	●
PAT	4.22%	3.42%	-0.80%	●

Key Aspects:

- Employee cost/ other expenses/ Depreciation are higher due to lower sales achieved in Q3
- Finance cost is reduced due to lower impact of reinstatement of Foreign currency liability in Q3 and Debt repayment
- Other income is negative due to loss incurred on fair value accounting of derivatives after netting off realized currency gain on Hedging etc

●	Positive	●	Moderate – variation upto 5%	●	Negative – variation exceeding 5%
---	----------	---	------------------------------	---	-----------------------------------

Financial Results & Highlights

Results Analysis - Nine Months FY 2018-19 v/s Nine months FY 2017-18

Results Analysis - Q3 FY 2018-19 v/s Q3 FY 2017-18

Results Analysis - Q3 FY 2018-19 v/s Q2 FY 2018-19

Way Forward



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

www.subros.com