

SHRIRAM PISTONS & RINGS LIMITED

Regd. Office: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi - 110 001

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E-mail: compliance.officer@shrirampistons.com, CIN: L29112DL1963PLC004084, PAN: AAACS0229G

Statement of standalone unaudited financial results for the quarter and six month ended September 30, 2019

(Amount in Lac Rs.
except per share details)

Particulars	Standalone					
	3 Months ended September 30, 2019	3 Months Ended June 30, 2019	3 Months ended September 30, 2018 (refer note 4a)	Period Ended September 30, 2019	Period Ended September 30, 2018 (refer note 4a)	Year Ended March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations						
I Revenue from operations	42115	43457	49323	85572	95190	195491
II Other income	389	551	653	940	1204	2363
III Total income (I+II)	42504	44008	49976	86512	96394	197854
IV Expenses						
a) Cost of materials consumed	12096	13973	17194	26069	33592	61884
b) Purchase of stock-in-trade	1521	1296	-	2817	-	10759
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2202	(440)	(128)	1762	(1803)	(3720)
d) Employee benefit expense	8756	9272	9251	18028	18322	36918
e) Finance Costs (refer note 2)	348	273	327	621	675	1392
f) Depreciation and amortization expenses (refer note 2)	2700	2319	2251	5019	4450	9433
g) Other expenses	12273	14656	15685	26929	30343	60264
Total expenses	39896	41349	44580	81245	85579	176930
V Profit before tax (III-IV)	2608	2659	5396	5267	10815	20924
VI Tax expense						
Current tax	790	880	1939	1670	3771	7139
Deferred tax	(282)	27	(32)	(255)	5	(60)
Tax expense on re-measurement of deferred tax assets/ liabilities for earlier period on account of change in the tax rate (refer note 3)	(918)	-	-	(918)	-	-
Total tax expense	(410)	907	1907	497	3776	7079
VII Profit for the period (V-VI)	3018	1752	3489	4770	7039	13845
VIII Other comprehensive income / (loss)						
A (i) Items that will not be reclassified to profit or loss						
a) Remeasurments of the post employment defined benefit plans	276	(486)	194	(210)	316	48
(ii) Income tax relating to items that will not be reclassified to profit or loss	(117)	170	(67)	53	(110)	(17)
B (i) Items that will be reclassified to profit or loss						
a) Fair value change of cash flow hedge	89	156	(489)	245	(365)	223
(ii) Income tax relating to items that will be reclassified to profit or loss	(7)	(55)	171	(62)	128	(78)
Other comprehensive income (after tax)	241	(215)	(191)	26	(31)	176
IX Total comprehensive Income for the period (VII+VIII)	3259	1537	3298	4796	7008	14021
X Paid up equity share capital (Face value of share - Rs 10 each)	2237	2237	2237	2237	2237	2237
XI Earnings per equity share (Face value of - Rs 10 each) (not annualised)						
(a) Basic	13.49	7.83	15.60	21.32	31.46	61.88
(b) Diluted	13.49	7.83	15.60	21.32	31.46	61.88

Contd....

STANDALONE BALANCE SHEET AS ON SEPTEMBER 30, 2019

(Amount in Lac Rs)

PARTICULARS	Standalone	
	As at	
	September 30, 2019	March 31, 2019
	Unaudited	Audited
ASSETS		
Non - current assets		
a) Property, plant and equipment	61189	58432
b) Capital work-in-progress	3354	1648
c) Goodwill	149	149
d) Other Intangible assets	8943	2688
e) Intangible assets under development	-	17
f) Financial assets		
(i) Investments	5	5
(ii) Other financial assets	39	393
g) Other non-current assets	8998	10459
Current assets		
a) Inventories	32476	34714
b) Financial assets		
(i) Investments	2961	550
(ii) Trade receivables	29540	35584
(iii) Cash and cash equivalents	547	222
(iv) Other bank balances other than (iii) above	4928	8087
(v) Other financial assets	852	1125
c) Other current assets	2358	2768
TOTAL ASSETS	156339	156841
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	2237	2237
b) Other equity	103513	100409
Liabilities		
Non - Current liabilities		
a) Financial liabilities		
(i) Borrowings	3547	4244
(ii) Non Convertible preference share capital	2886	2886
b) Provisions	3764	3468
c) Deferred tax liabilities (Net)	2029	3194
d) Other non-current liabilities	2252	283
Current liabilities		
a) Financial liabilities		
(i) Borrowings	217	394
(ii) Trade Payables		
- Total outstanding dues of micro and small enterprises	264	644
- Total outstanding dues of creditors other than micro and small enterprises	23706	26469
(iii) Other financial liabilities	6375	6863
b) Other Current Liabilities	3995	4358
c) Provisions	990	916
d) Current Tax Liabilities (net)	564	476
TOTAL EQUITY AND LIABILITIES	156339	156841

Contd....

Standalone Cash flow statement for the six month ended September 30, 2019

(Amount in Lac Rs)

Particulars	Period ended	
	September 30, 2019	September 30, 2018
	Unaudited	Unaudited
Cash flow from Operating Activities		
Profit for the period	4,770	7,039
Operating profit before working capital changes	10,397	14,938
A Net cash from operating activities	15,174	9,928
B Net cash (used) in investing activities	(13,021)	(6,108)
C Net cash from/(used) in financing activities	(4,845)	(4,274)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(2,692)	(454)
Cash and cash equivalents at the beginning of the period	8,146	14,314
Cash and cash equivalents at the end of the period	5,454	13,860
Components of cash and cash equivalents		
Cash in hand	10	11
Balances with banks		
- current accounts	537	181
- Other bank balances	4,928	14,948
Working Capital loan from banks (Secured / Unsecured)	(21)	(1,280)
	5,454	13,860

Contd....

Notes:

- 1 The Company deals principally in only one segment i.e. automotive components.
- 2 Effective April 01, 2019 being the transition date, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 01, 2019 using the modified retrospective approach. Accordingly, the Company has not restated the comparative information. On transition, the adoption of the new standard resulted in recognition of "Right to use" assets of Rs. 2433 lac and corresponding "lease liability" in respect of remaining lease payments for operating leases as on April 01, 2019. Also, finance leases of Rs 4290 lac has been reclassified to "right to use assets" which were earlier shown as prepayment land leases under "Other assets".

Consequently in the statement of profit and loss for the current period , the nature of expense in respect of operating leases has changed from "Rent " in previous period to "Depreciation and amortisation expense" for the "Right to use assets" and "Finance cost" for the interest accrued on the lease liability. As a result the "Rent" , "Depreciation and amortisation expense " , "Finance cost" of the current period is not comparable to the earlier periods.
- 3 The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act 1961 as introduced by the Taxation Laws (amendment) Ordinance, 2019. Accordingly, the Company has recognised the tax provision for the quarter and six months ended September 30, 2019 and re-measured the deferred tax assets/liabilities on the basis of the rates prescribed in that section. The full impact of this change has been recognised in the Statement of Profit and Loss. Tax expense for the quarter and six months ended September 30, 2019 is based on effective revised tax rate which includes on time net credit of Rs. 918 lac on account of re-measurement of deferred tax assets/ liabilities pertaining to previous period.
- 4 (a) The Company had received approval to the scheme of amalgamation of M/s Shriram Automotive Products Limited. with the Company on March 05, 2019 from Hon'ble National Company Law Tribunal ("NCLT"), Delhi Bench with effect from appointed date of April 01, 2018, which the Company has filed with Registrar of Companies (RoC) on March 29, 2019. In accordance with Ind AS103 "Business Combinations", the Company has given effect of the scheme of amalgamation using "Acquisition method" with effect from appointed date i.e April 01, 2018 in the last quarter of financial year 2018-19 for the full financial year. Accordingly, the financial results for quarter/ year ending March 31, 2019 onwards, include result of operations of erstwhile M/s Shriram Automotive Products Limited and thus not comparable with financial results of corresponding preceding period to that extent.
(b) As per the scheme of amalgamation, the Company had issued 28,85,760, 4.2% fully paid up non-participating, redeemable, non-convertible cumulative Preference Shares, having a par value of Rs. 100 per Preference Share to shareholders of Shriram Automotive Products Limited. The Preference Share were redeemable at par on expiry of 5 years from the date of allotment i.e. March 30, 2019. However, the Company had an option to redeem these preference shares at par on expiry of 6 months from the date of allotment or June 30, 2019 whichever is later. The Company has exercised the option and redeemed the above preference shares on October 01, 2019 in cash. The Company has paid a dividend @ 2.1% i.e. Rs. 2.1 on each preference share of the nominal value of Rs. 100 on October 01, 2019.
- 5 The result have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (referred to as "IND AS") 34 Interim Financial reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules made thereunder. The above results were reviewed and recommended by Audit Committee at its meeting held on November 01, 2019 and taken on record by Board of directors at its meeting held on November 01, 2019. The Statutory Auditors have carried out a Limited Review of the aforesaid financial results except cash flows statement for the corresponding six month ended September 30, 2018.
- 6 Figures of previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

For and on behalf of the Board

Place: New Delhi

Date : November 01, 2019

(VINOD RAHEJA)

CHIEF FINANCIAL OFFICER

(A. K.TANEJA)

MANAGING DIRECTOR

SHRIRAM PISTONS & RINGS LIMITED

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Statement of consolidated unaudited financial results for the quarter and six month ended September 30, 2019

(Amount in Lac Rs.
except per share details)

Particulars	Consolidated					
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IV Expenses						
a) Cost of materials consumed	12096	13973	17194	26069	33592	61884
b) Purchase of stock-in-trade	1521	1296	-	2817	-	10759
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2202	(440)	(128)	1762	(1803)	(3720)
d) Employee benefit expense	8756	9272	9251	18028	18322	36918
e) Finance Costs (refer note 2)	348	273	327	621	675	1392
f) Depreciation and amortization expenses (refer note 2)	2700	2319	2251	5019	4450	9433
g) Other expenses	12273	14656	15685	26929	30343	60265
Total expenses	39896	41349	44580	81245	85579	176931
V Profit before tax (III-IV)	2608	2659	5396	5267	10815	20924
VI Tax expense						
Current tax	790	880	1939	1670	3771	7139
Deferred tax	(282)	27	(32)	(255)	5	(60)
Tax expense on re-measurement of deferred tax assets/ liabilities for earlier period on account of change in the tax rate (refer note 3)	(918)	-	-	(918)	-	
Total tax expense	(410)	907	1907	497	3776	7079
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XI Earnings per equity share (Face value of - Rs 10 each) (not annualised)						
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(b) Diluted	13.49	7.83	15.60	21.32	31.46	61.88

Contd....

CONSOLIDATED BALANCE SHEET AS ON SEPTEMBER 30, 2019

(Amount in Lac Rs)

PARTICULARS	Consolidated	
	As at	
	September 30, 2019	March 31, 2019
	Unaudited	Audited
ASSETS		
Non - current assets		
a) Property, plant and equipment	61189	58432
b) Capital work-in-progress	3354	1648
c) Goodwill	149	149
d) Other Intangible assets	8943	2688
e) Intangible assets under development	-	17
f) Financial assets		
(i) Investments	-	-
(ii) Other financial assets	39	393
g) Other non-current assets	8998	10459
Current assets		
a) Inventories	32476	34714
b) Financial assets		
(i) Investments	2961	550
(ii) Trade receivables	29540	35584
(iii) Cash and cash equivalents	552	227
(iv) Other bank balances other than (iii) above	4928	8087
(v) Other financial assets	852	1125
c) Other current assets	2358	2768
TOTAL ASSETS	156339	156841
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	2237	2237
b) Other equity	103513	100409
Liabilities		
Non - Current liabilities		
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b) Provisions	3764	3468
c) Deferred tax liabilities (Net)	2029	3194
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Current liabilities		
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(i) Borrowings	217	394
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b) Other Current Liabilities	3995	4358
c) Provisions	990	916
d) Current Tax Liabilities (net)	564	476
TOTAL EQUITY AND LIABILITIES	156339	156841

Contd....

Consolidated Cash flow statement for the six month ended September 30, 2019

(Amount in Lac Rs)

PARTICULARS	Period ended September 30, 2019	Period ended September 30, 2018
	Unaudited	Unaudited
Cash flow from Operating Activities		
Profit for the period	4,770	7,039
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A. Net cash from operating activities	15,174	9,928
B Net cash (used) in investing activities	(13,022)	(6,108)
C Net cash from/(used) in financing activities	(4,845)	(4,274)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(2,693)	(454)
Cash and cash equivalents at the beginning of the period	8,152	14,314
Cash and cash equivalents at the end of the period	5,459	13,860
Components of cash and cash equivalents		
Cash in hand	10	11
Balances with banks		
- current accounts	537	181
- Other bank balances	4,933	14,948
Working Capital loan from banks (Secured / Unsecured)	(21)	(1,280)
	5,459	13,860

Contd....

Notes:

- 1 The Group deals principally in only one segment i.e. automotive components.
- 2 Effective April 01, 2019 being the transition date, the Group has adopted Ind AS 116 " Leases", applied to all lease contracts existing on April 01, 2019 using the modified retrospective approach. Accordingly, the Group has not restated the comparative information. On transition, the adoption of the new standard resulted in recognition of "Right to use" assets of Rs. 2433 lac and corresponding "lease liability" in respect of remaining lease payments for operating leases as on April 01, 2019. Also, finance leases of Rs 4290 lac has been reclassified to " right to use assets" which were earlier shown as prepayment land leases under " Other assets".

Consequently in the statement of profit and loss for the current period , the nature of expense in respect of operating leases has changed from "Rent " in previous period to "Depreciation and amortisation expense" for the "Right to use assets" and "Finance cost" for the interest accrued on the lease liability. As a result the "Rent" , "Depreciation and amortisation expense " , "Finance cost" of the current period is not comparable to the earlier periods.

- 3 The Group elected to exercise the option permitted under section 115BAA of the Income Tax Act 1961 as introduced by the Taxation Laws (amendment) Ordinance, 2019. Accordingly, the Group has recognised the tax provision for the quarter and six months ended September 30, 2019 and re-measured the deferred tax assets/liabilities on the basis of the rates prescribed in that section. The full impact of this change has been recognised in the Statement of Profit and Loss. Tax expense for the quarter and six months ended September 30, 2019 is based on effective revised tax rate which includes one time net credit of Rs. 918 lac on account of re-measurement of deferred tax assets/ liabilities pertaining to previous period.
- 4 (a) The Parent Company had received approval to the scheme of amalgamation of M/s Shriram Automotive Products Limited with the Parent Company on March 05, 2019 from Hon'ble National Company Law Tribunal ("NCLT"), Delhi Bench with effect from appointed date of April 01, 2018, which the Parent Company has filed with Registrar of Companies (RoC) on March 29, 2019. In accordance with Ind AS103 "Business Combinations", the Parent Company has given effect of the scheme of amalgamation using "Acquisition method" with effect from appointed date i.e April 01, 2018 in the last quarter of financial year 2018-19 for the full financial year. Accordingly, the financial results for quarter/ year ending March 31, 2019 onwards, include result of operations of erstwhile M/s Shriram Automotive Products Limited and thus not comparable with financial result of corresponding preceding period to that extent.
- (b) As per the scheme of amalgamation, the Parent Company had issued 28,85,760, 4.2% fully paid up non-participating, redeemable, non-convertible cumulative Preference Shares, having a par value of Rs. 100 per Preference Share to shareholders of Shriram Automotive Products Limited . The Preference Share were redeemable at par on expiry of 5 years from the date of allotment i.e. March 30, 2019. However, the Parent Company had an option to redeem these preference shares at par on expiry of 6 months from the date of allotment or June 30, 2019 whichever is later. The Parent Company has exercised the option and redeemed the above preference shares on October 01, 2019 in cash. The Parent Company has paid a dividend @ 2.1% i.e. Rs. 2.1 on each preference share of the nominal value of Rs. 100 on October 01, 2019.
- 5 Operations of M/s SPR International Auto Exports Limited, wholly owned subsidiary of the Parent Company, are insignificant. Consolidated financial results in terms of net sales, net profit and EPS remains same, as of stand-alone operations of the Parent Company.
- 6 The result have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (referred to as "IND AS") 34 Interim Financial reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules made thereunder. The above results were reviewed and recommended by Audit Committee at its meeting held on November 01, 2019 and taken on record by Board of directors at its meeting held on November 01, 2019. The Statutory Auditors have carried out a Limited Review of the aforesaid financial results except Consolidated cash flows statement for the corresponding six month ended September 30, 2018. Review of the M/S SPR International Auto Exports Limited has been done by Independent Auditors.
- 7 Figures of previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

For and on behalf of the Board

Place: New Delhi

Date : November 01, 2019

(VINOD RAHEJA)

CHIEF FINANCIAL OFFICER

(A. K.TANEJA)

MANAGING DIRECTOR