

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 unaudited/audited financial results for the quarter and year ended March 31, 2020

(Amount in Lac Rs.
except per share details)

Particulars	Standalone				
	3 Months ended March 31, 2020	3 Months ended December 31, 2019	3 Months ended March 31, 2019 (refer note 4a)	Year Ended March 31, 2020	Year Ended March 31, 2019
	Unaudited	Unaudited	Unaudited	Audited	Audited
Revenue from operations					
I Revenue from operations	36477	38628	56211	160677	195491
II Other income	478	566	682	1984	2363
III Total income (I+II)	36955	39194	56893	162661	197854
IV Expenses					
a) Cost of materials consumed	11989	10768	15139	48827	65597
b) Purchase of stock-in-trade	1568	1203	7046	5588	7046
c) Changes in inventories of finished goods ,work- in-progress and stock-in-trade	(480)	2769	1421	4051	(3720)
d) Employee benefit expense	7808	8535	9244	34371	36918
e) Finance Costs (refer note 2)	339	278	376	1238	1392
f) Depreciation and amortization expenses (refer note 2)	2651	2635	2674	10304	9433
g) Other expenses	11434	11278	14787	49641	60264
Total expenses	35309	37466	50687	154020	176930
V Profit before tax (III-IV)	1646	1728	6206	8641	20924
VI Tax expense					
Current tax	624	341	2311	2635	7139
Deferred tax	(194)	140	(491)	(309)	(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)	(70)	-	-	(988)	-
Total tax expense	360	481	1820	1338	7079
VII Profit for the period (V-VI)	1286	1247	4386	7303	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	696	58	(32)	544	48
(ii) Income tax relating to items that will not be reclassified to profit or loss	(175)	(15)	11	(137)	(17)
B (i) Items that will be reclassified to profit or loss					
a) Fair value change of cash flow hedge	(35)	(281)	(5)	(71)	223
(ii) Income tax relating to items that will be reclassified to profit or loss	9	71	2	18	(78)
Other comprehensive income (after tax)	495	(167)	(24)	354	176
IX Total comprehensive Income for the period (VII+VIII)	1781	1080	4362	7657	14021
X Paid up equity share capital (Face value of share - Rs 10 each)	2237	2237	2237	2237	2237
XI Earnings per equity share (Face value of - Rs 10 each) (not annualised)					
(a) Basic	5.75	5.57	19.60	32.64	61.88
(b) Diluted	5.75	5.57	19.60	32.64	61.88

Contd....

STANDALONE BALANCE SHEET AS ON MARCH 31, 2020

(Amount in Lac Rs)

PARTICULARS	Standalone	
	As at	
	March 31, 2020	March 31, 2019
	Audited	Audited
ASSETS		
Non - current assets		
a) Property, plant and equipment	64404	58432
b) Capital work-in-progress	1916	1648
c) Goodwill	149	149
d) Other Intangible assets	9588	2688
e) Intangible assets under development	-	17
f) Financial assets		
(i) Investments	5	5
(ii) Other financial assets	37	393
g) Other non-current assets	7613	10459
Current assets		
a) Inventories	29078	34714
b) Financial assets		
(i) Investments	6068	550
(ii) Trade receivables	23931	35584
(iii) Cash and cash equivalents	435	222
(iv) Other bank balances other than (iii) above	9153	8087
(v) Other financial assets	256	1125
c) Current tax assets (net)	271	-
d) Other current assets	2922	2768
TOTAL ASSETS	155826	156841
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	2237	2237
b) Other equity	104813	100409
Liabilities		
Non - Current liabilities		
a) Financial liabilities		
(i) Borrowings	4230	4244
(ii) Non Convertible preference share capital	0	2886
(iii) Lease liabilities	2362	0
b) Provisions	3167	3468
c) Deferred tax liabilities (Net)	2016	3194
d) Other non-current liabilities	7	283
Current liabilities		
a) Financial liabilities		
(i) Borrowings	4492	394
(ii) Lease liabilities	450	0
(iii) Trade Payables		
- Total outstanding dues of micro and small enterprises	531	644
- Total outstanding dues of creditors other than micro and small enterprises	22561	26469
(iv) Other financial liabilities	4353	6863
b) Other Current Liabilities	3818	4358
c) Provisions	789	916
d) Current Tax Liabilities (net)	0	476
TOTAL EQUITY AND LIABILITIES	155826	156841

Contd....

Standalone Cash flow statement for the year month ended March 31, 2020

(Amount in Lac Rs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Audited	Audited
Cash flow from Operating Activities		
Profit for the period	7,303	13,845
Operating profit before working capital changes	19,738	30,717
A Net cash from operating activities	29,677	15,684
B Net cash (used) in investing activities	(21,431)	(15,786)
C Net cash from/(used) in financing activities	(11,073)	(6,105)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(2,827)	(6,207)
Cash and cash equivalents at the beginning of the period	8,147	14,314
Add: Cash and cash equivalents acquired on amalgamation	-	40
Cash and cash equivalents at the end of the period	5,320	8,147
Components of cash and cash equivalents		
Cash in hand	8	19
Balances with banks		
- current accounts	427	178
- Other bank balances	9,153	8,112
Working Capital loan from banks (Secured / Unsecured)	(4,268)	(162)
	5,320	8,147

Contd...

Notes:

- 1 The Company deals principally in only one segment i.e. automotive components.
- 2 Effective from April 01, 2019, 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. The adoption of the new standard has resulted in recognition of "Right to use" assets of Rs. 3191 lac and corresponding "lease liability" in respect of remaining lease payments for operating leases as on March 31, 2020. Also, finance leases of Rs 4290 lac as on April 01, 2019 has been reclassified to "right to use assets" which were earlier shown as pre payment land leases under "Other assets". Resulting impact in the statement of profit and loss is Rs. 498 lac and Rs.189 lac under "Depreciation and amortisation" and "Finance cost" for the period ended March 31, 2020.
- 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) Bill, 2019. Accordingly, the Company has recognized the tax provision for the year ended March 31, 2020 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 recognized in the Statement of Profit and Loss. Tax expense for the year ended March 31, 2020 is based on effective revised tax rate which includes onetime net credit of Rs. 988 lac on account of re-measurement of deferred tax assets/liabilities pertaining to previous year.
- 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 previous year 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 results 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 June 25, 2020 and taken on record by Board of directors at its meeting held on June 25, 2020.
- 6 The Company has considered the possible effects that may result from the pandemic relating to COVID 19 on the carrying amount of all assets and liabilities as at March 31' 2020. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company as at the date of approval of these Financial Statements has used internal and external sources on the expected future performance of the company. The company has performed sensitivity analysis on the assumptions used and based on the estimates, expects the carrying amount of these asset/liabilities will be recovered/ settled and subsequent liquidity is available to fund the business operation for atleast another 12 months. The impact of COVID 19 on the Company's Financial Statements may differ from that estimated at the date of approval of these Financial Statements and would be recognized prospectively.
- 7 The figures for the quarter ended March 31, 2020 and March 31, 2019 are balancing figures between audited figures in respect of full financial years and the unaudited published year to date figures up to the third quarter ended for respective financial years.

For and on behalf of the Board

Place: New Delhi

(VINOD RAHEJA)

(K.K.SRINIVASAN)

(A. K.TANEJA)

Date : June 25, 2020

CHIEF FINANCIAL OFFICER

MANAGING DIRECTOR

MANAGING DIRECTOR & CEO

SHRIRAM PISTONS & RINGS LIMITED

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(Amount in Lac Rs.
except per share details)

Particulars	Consolidated				
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II Other income	478	566	682	1984	2364
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IV Expenses					
a) Cost of materials consumed	11989	10768	15139	48827	65597
b) Purchase of stock-in-trade	1568	1203	7046	5588	7046
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(480)	2769	1421	4051	(3720)
d) Employee benefit expense	7808	8535	9244	34371	36918
e) Finance Costs (refer note 2)	339	278	376	1238	1392
f) Depreciation and amortization expenses (refer note 2)	2651	2635	2674	10304	9433
g) Other expenses	11434	11278	14787	49641	60265
Total expenses	35309	37466	50687	154020	176931
V Profit before tax (III-IV)	1646	1728	6206	8641	20924
VI Tax expense					
Current tax	624	341	2311	2635	7139
Deferred tax	(194)	140	(491)	(309)	(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)	(70)	-	-	(988)	
Total tax expense	360	481	1820	1338	7079
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a) Remeasurments of the post employment defined benefit plans	696	58	(32)	544	48
(ii) Income tax relating to items that will not be reclassified to profit or loss	(175)	(15)	11	(137)	(17)
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a) Fair value change of cash flow hedge	(35)	(281)	(5)	(71)	223
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X Paid up equity share capital (Face value of share - Rs 10 each)	2237	2237	2237	2237	2237
XI Earnings per equity share (Face value of - Rs 10 each) (not annualised)					
(a) Basic	5.75	5.57	19.60	32.64	61.88
(b) Diluted	5.75	5.57	19.60	32.64	61.88

Contd....

CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2020

(Amount in Lac Rs)

PARTICULARS	Consolidated	
	As at	
	March 31, 2020	March 31, 2019
	Audited	Audited
ASSETS		
Non - current assets		
a) Property, plant and equipment	64404	58432
b) Capital work-in-progress	1916	1648
c) Goodwill	149	149
d) Other Intangible assets	9588	2688
e) Intangible assets under development	-	17
f) Financial assets		
(i) Other financial assets	37	393
g) Other non-current assets	7612	10459
Current assets		
a) Inventories	29078	34714
b) Financial assets		
(i) Investments	6068	550
(ii) Trade receivables	23931	35584
(iii) Cash and cash equivalents	441	227
(iv) Other bank balances other than (iii) above	9153	8087
(v) Other financial assets	256	1125
c) Current tax assets (net)	271	0
d) Other current assets	2922	2768
TOTAL ASSETS	155826	156841
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	2237	2237
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Liabilities		
Non - Current liabilities		
a) Financial liabilities		
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b) Provisions	3167	3468
c) Deferred tax liabilities (Net)	2016	3194
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Current liabilities		
a) Financial liabilities		
(i) Borrowings	4492	394
(ii) Lease liabilities	450	-
(iii) Trade Payables		
- Total outstanding dues of micro and small enterprises	531	644
- Total outstanding dues of creditors other than micro and small enterprises	22561	26469
(iv) Other financial liabilities	4353	6863
b) Other Current Liabilities	3818	4358
c) Provisions	789	916
d) Current Tax Liabilities (net)	0	476
TOTAL EQUITY AND LIABILITIES	155826	156841

Contd....

Consolidated Cash flow statement for the year month ended March 31, 2020

(Amount in Lac Rs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Audited	Audited
Cash flow from Operating Activities		
Profit for the period	7,304	13,845
Operating profit before working capital changes	19,738	30,716
A Net cash from operating activities	29,677	15,683
B Net cash (used) in investing activities	(21,431)	(15,785)
C Net cash from/(used) in financing activities	(11,073)	(6,105)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(2,827)	(6,207)
Cash and cash equivalents at the beginning of the period	8,152	14,319
Add: Cash and cash equivalents acquired on amalgamation	-	40
Cash and cash equivalents at the end of the period	5,325	8,152
Components of cash and cash equivalents		
Cash in hand	8	19
Balances with banks		
- current accounts	427	178
- Other bank balances	9,158	8,117
Working Capital loan from banks (Secured / Unsecured)	(4,268)	(162)
	5,325	8,152

Contd...

Notes:

- 1 The Group deals principally in only one segment i.e. automotive components.
- 2 Effective from April 01, 2019, 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. The adoption of the new standard has resulted in recognition of "Right to use" assets of Rs. 3191 lac and corresponding "lease liability" in respect of remaining lease payments for operating leases as on March 31, 2020. Also, finance leases of Rs 4290 lac as on April 01, 2019 has been reclassified to "right to use assets" which were earlier shown as pre payment land leases under "Other assets". Resulting impact in the statement of profit and loss is Rs. 498 lac and Rs.189 lac under "Depreciation and amortisation" and "Finance cost" for the period ended March 31, 2020.
- 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) Bill, 2019. Accordingly, the Company has recognized the tax provision for the year ended March 31, 2020 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 recognized in the Statement of Profit and Loss. Tax expense for the year ended March 31, 2020 is based on effective revised tax rate which includes onetime net credit of Rs. 988 lac on account of re-measurement of deferred tax assets/ liabilities pertaining to previous year.
- 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 previous year 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 results 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 June 25, 2020 and taken on record by Board of directors at its meeting held on June 25, 2020.
- 7 The Group has considered the possible effects that may result from the pandemic relating to COVID 19 on the carrying amount of all assets and liabilities as at March 31' 2020. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company as at the date of approval of these Financial Statements has used internal and external sources on the expected future performance of the company. The company has performed sensitivity analysis on the assumptions used and based on the estimates, expects the carrying amount of these asset/liabilities will be recovered/ settled and subsequent liquidity is available to fund the business operation for atleast another 12 months. The impact of COVID 19 on the Company's Financial Statements may differ from that estimated at the date of approval of these Financial Statements and would be recognized prospectively.
- 8 The figures for the quarter ended March 31, 2020 and March 31, 2019 are balancing figures between audited figures in respect of full financial years and the unaudited published year to date figures up to the third quarter ended for respective financial years.

For and on behalf of the Board

Place: New Delhi

(VINOD RAHEJA)

(K.K.SRINIVASAN)

(A. K.TANEJA)

Date : June 25, 2020

CHIEF FINANCIAL OFFICER

MANAGING DIRECTOR

MANAGING DIRECTOR & CEO