

SUPRAJIT ENGINEERING LIMITED

Regd Office: No. 100 & 101, Bommasandra Industrial Area, Bengaluru-560 099.

Website - www.suprajit.com, email - info@suprajit.com

CIN - L29199KA1985PLC006934

Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended December 31, 2020

		<i>(Rs. in million)</i>					
Particulars	Standalone						
	Quarter ended			Nine months ended		Year Ended	
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)	
I	Revenue from operations	3,663.20	3,117.22	2,903.82	7,655.16	8,133.20	10,709.46
II	Other income	110.87	72.73	64.40	214.50	189.03	252.84
III	Total income (I+II)	3,774.07	3,189.95	2,968.22	7,869.66	8,322.23	10,962.30
IV	Expenses						
	Cost of materials consumed	2,374.31	1,955.02	1,828.24	4,902.13	5,008.05	6,594.09
	Purchases of stock-in-trade	13.33	9.96	4.19	25.16	14.91	18.64
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(94.00)	12.34	(14.57)	(97.77)	18.56	33.50
	Employee benefits expense	461.54	377.54	400.65	1,106.28	1,104.84	1,435.32
	Finance costs	35.24	35.45	28.98	104.31	99.58	134.22
	Depreciation and amortization expense	61.75	61.68	65.91	178.23	194.03	259.07
	Other expenses	187.14	182.38	206.22	496.09	551.40	729.58
	Total expenses	3,039.31	2,634.37	2,519.62	6,714.43	6,991.37	9,204.42
V	Profit before exceptional items and tax expenses (III-IV)	734.76	555.58	448.60	1,155.23	1,330.86	1,757.88
VI	Exceptional Items [Refer Note 5 (a) and 5 (b)]	-	-	-	-	-	(259.92)
VII	Profit before tax (V-VI)	734.76	555.58	448.60	1,155.23	1,330.86	1,497.96
VIII	Tax expense/ (credit) (net):						
	Current tax	150.88	98.02	113.60	262.89	314.27	405.64
	Deferred tax charge/(credit)	29.91	25.82	(14.22)	1.39	(51.78)	(68.13)
	Current tax relating to earlier periods	-	-	(47.04)	-	(47.04)	(72.87)
	Total tax expenses/ (credit) (net)	180.79	123.84	52.34	264.28	215.45	264.64
IX	Profit for the period (VII-VIII)	553.97	431.74	396.26	890.95	1,115.41	1,233.32
X	Other comprehensive income/ (loss), net of taxes						
	Items that will not be reclassified to profit or loss						
	Re-measurement gain/(loss) on defined benefit plan	(2.55)	2.53	(5.38)	(4.49)	(15.96)	(2.90)
		(2.55)	2.53	(5.38)	(4.49)	(15.96)	(2.90)
XI	Total comprehensive income for the period (IX+X)	551.42	434.27	390.88	886.46	1,099.45	1,230.42
XII	Paid-up equity share capital (Face value: Re.1/- each)	139.87	139.87	139.87	139.87	139.87	139.87
XIII	Other equity	-	-	-	-	-	7,676.62
XIV	Earnings per share (Face value: Re.1/- each) (in Rs.) (Not annualised in case of interim periods)						
	Basic and Diluted	3.96	3.09	2.83	6.37	7.97	8.82

For Suprajit Engineering Limited


K Ajith Kumar Rai
Chairman

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on February 10, 2021.
- 2 The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The Company is engaged in the business of manufacturing and selling of automotive and other components, which are monitored as a single segment by the chief operating decision maker, accordingly, these, in the context of Ind AS 108 on operating segments reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosure.
- 4 The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these standalone financial results. The Company will continue to closely monitor any material changes to future economic conditions.
- 5 (a) The Company carried out annual impairment exercise for the year ended March 31, 2020 in respect of investment in its subsidiaries and basis valuation carried out by an external specialist, the Company made impairment provision of Rs. 107.97 million towards investment in Luxlite Lamp SARL and Rs. 54.00 million towards investment in Trifa Lamps Germany GmbH during the quarter ended March 31, 2020.

(b) As on March 31, 2020, the Company had investment of Rs. 979.49 million in Franklin Templeton Mutual Fund (FTMF), valued at Net Asset Value (NAV) as on said date. FTMF voluntarily decided to wind up six of its fixed-income debt schemes effective April 23, 2020 and FTMF communicated that NAV per unit will continue to be computed and declared as per the same accounting and valuation principles as done prior to April 23, 2020 without any change. In preparing the standalone financial results for the quarter ended March 31, 2020, the Company made a provision of Rs.97.95 million on a best estimate basis, factoring regular updates given by FTMF, maturity profile of schemes and other factors such as historical yield, expected future returns from the underlying investments made by the funds etc. As at December 31, 2020, the management considers the provision to be adequate.
- 6 The Code on Social Security, 2020 which received the President's assent on September 28, 2020 subsumes nine laws relating to Social security, retirement and employee benefits, including the Provident Fund and Gratuity. The effective date of the Code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognised post notification of the relevant provisions.
- 7 The Board of Directors have approved buyback proposal of 15,00,000 Equity shares of Re.1 each (representing 1.07 % of total Paid-Up Capital) from the shareholders of the Company on a proportionate basis through tender offer method, at a price of Rs. 320 per Equity Share for an aggregate amount not exceeding Rs. 480 Million in accordance with the provisions of the Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 2018.
- 8 The Board of Directors at its meeting held on February 10, 2021, has declared interim dividend of Re. 0.75 (75%) per equity share (face value: Re. 1/- each) for the financial year 2020-21 (Interim dividend in previous year Re. 0.75 (75%) per equity share [Face value: Re. 1/- each]). The record date for the aforesaid transaction has been fixed as Monday, February 22, 2021.

For and on behalf of the Board of Directors


K. AJITH KUMAR
Chairman
(DIN - 0110327)

Place : Bengaluru

Date: February 10, 2021

SUPRAJIT ENGINEERING LIMITED

Regd Office: No. 100 & 101, Bommasandra Industrial Area, Bengaluru-560 099.

Website - www.suprajit.com, email - info@suprajit.com

CIN - L29199KA1985PLC006934

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine months ended December 31, 2020

(Rs. in million)

	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year Ended
		December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2019 (Unaudited)	March 31, 2020 (Audited)
I	Revenue from operations	5,072.69	4,431.44	4,122.75	11,278.81	11,738.35	15,628.32
II	Other income	70.25	85.94	52.68	213.98	181.47	223.84
III	Total income (I+II)	5,142.94	4,517.38	4,175.43	11,492.79	11,919.82	15,852.16
IV	Expenses						
	Cost of materials consumed	3,061.66	2,465.52	2,281.35	6,440.80	6,361.76	8,564.97
	Purchases of stock-in-trade	96.08	50.02	134.05	224.56	443.96	526.24
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(216.07)	90.60	14.37	(130.75)	62.26	59.33
	Employee benefits expense	883.78	729.63	770.49	2,209.08	2,215.27	2,926.91
	Finance costs	54.17	55.16	51.70	164.44	169.28	226.57
	Depreciation and amortization expense	143.33	143.72	148.92	424.64	436.60	581.26
	Other expenses	383.60	360.82	421.60	984.93	1,017.34	1,363.87
	Total expenses	4,406.55	3,895.47	3,822.48	10,317.70	10,706.47	14,249.15
V	Profit before exceptional items and tax expenses (III-IV)	736.39	621.91	352.95	1,175.09	1,213.35	1,603.01
VI	Exceptional Items [Refer Note 5 (a) and 5 (b)]	-	-	-	-	-	(274.38)
VII	Profit before tax expenses (V-VI)	736.39	621.91	352.95	1,175.09	1,213.35	1,328.63
VIII	Tax expense/ (credit) (net):						
	Current tax	197.43	119.36	119.88	346.68	356.18	467.00
	Deferred tax charge/(credit)	22.67	21.78	(31.74)	(23.56)	(105.73)	(104.67)
	Current tax relating to earlier periods	-	-	(47.04)	-	(47.04)	(73.35)
	Total tax expenses/ (credit) (net)	220.10	141.14	41.10	323.12	203.41	288.98
IX	Profit for the period (VII-VIII)	516.29	480.77	311.85	851.97	1,009.94	1,039.65
X	Other comprehensive income/ (loss), net of taxes						
A	Items that will not be reclassified to profit or loss						
	Re-measurement gain/(loss) on defined benefit plan	(2.53)	2.46	(5.66)	(4.56)	(17.58)	(2.47)
B	Items that will be reclassified to profit or loss						
	Net exchange differences on translation of foreign operations	20.51	(18.38)	53.88	13.75	78.32	192.41
	Net change in fair value of Hedging instrument	1.63	1.93	0.86	4.35	(2.86)	(6.13)
		19.61	(13.99)	49.08	13.54	57.88	183.81
XI	Total comprehensive income for the period (IX+X)	535.90	466.78	360.93	865.51	1,067.82	1,223.46
XII	Paid-up equity share capital (Face value: Re.1/- each)	139.87	139.87	139.87	139.87	139.87	139.87
XIII	Other equity	-	-	-	-	-	8,397.81
XIV	Earnings per share (Face value: Re.1/- each) (in Rs.) (Not annualised in case of interim periods)						
	Basic and Diluted	3.69	3.44	2.23	6.09	7.22	7.43

For Suprajit Engineering Limited

K Ajith Kumar Ral
Chairman

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on February 10, 2021.
- 2 The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The Group is engaged in the business of manufacturing and selling of automotive and other components, which are monitored as a single segment by the chief operating decision maker, accordingly, these, in the context of Ind AS 108 on operating segments reporting are considered to constitute one segment and hence the Group has not made any additional segment disclosure.
- 4 The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these consolidated financial results. The Group will continue to closely monitor any material changes to future economic conditions.
- 5 (a) The Group carried out annual impairment exercise for the year ended March 31, 2020 in respect of carrying value of Goodwill and basis valuation carried out by an external specialist, the management had made an impairment provision of Rs. 165.85 million towards carrying value of goodwill in Wescon Controls LLC during the quarter ended March 31, 2020.

(b) As on March 31, 2020, the Group had investment of Rs. 1085.28 million in Franklin Templeton Mutual Fund (FTMF), valued at Net Asset Value (NAV) as on said date. FTMF voluntarily decided to wind up six of its fixed-income debt schemes effective April 23, 2020 and FTMF communicated that NAV per unit will continue to be computed and declared as per the same accounting and valuation principles as done prior to April 23, 2020 without any change. In preparing the consolidated financial results for the quarter ended March 31, 2020, the Group made a provision of Rs.108.53 million on a best estimate basis, factoring regular updates given by FTMF, maturity profile of schemes and other factors such as historical yield, expected future returns from the underlying investments made by the funds etc. As at December 31, 2020, the management considers the provision to be adequate.
- 6 The Code on Social Security, 2020 which received the President's assent on September 28, 2020 subsumes nine laws relating to Social security, retirement and employee benefits, including the Provident Fund and Gratuity. The effective date of the Code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognised post notification of the relevant provisions.
- 7 The Board of Directors have approved buyback proposal of 15,00,000 Equity shares of Re.1 each (representing 1.07 % of total Paid-Up Capital) from the shareholders of the Company on a proportionate basis through tender offer method, at a price of Rs. 320 per Equity Share for an aggregate amount not exceeding Rs. 480 Million in accordance with the provisions of the Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 2018.
- 8 The Board of Directors at its meeting held on February 10, 2021, has declared interim dividend of Re. 0.75 (75%) per equity share (face value: Re. 1/- each) for the financial year 2020-21 (Interim dividend in previous year Re. 0.75 (75%) per equity share [Face value: Re. 1/- each]). The record date for the aforesaid transaction has been fixed as Monday, February 22, 2021.

For and on behalf of the Board of Directors



K. AJITH KUMAR RAI
Chairman
(DIN - 01160327)

Place : Bengaluru
Date: February 10, 2021