

SUNDARAM BRAKE LININGS LIMITED

Padi, Chennai - 600 050, India.



Telephone: 73580 33474

E-mail : sbl@tvssbl.com

Website : www.tvssbrakelinings.com

PAN : AADCS4888E

SecI/NSE/IVQr.1617-003
May 29, 2017

The Manager
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, "G" Block
Bandra Kurla Complex
Bandra (East),
Mumbai-400 051

Dear Sir,

Sub : Outcome of Board Meeting – reg.

This is to inform that, the Board of Directors at their meeting held on 29th May 2017 have transacted inter alia, the following items of business :

1. Approved the Audited Financial Results for the year ended 31st March 2017 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

A copy of the Audited Financial Results is enclosed herewith for your information and record.

We confirm and declare that the Auditors' report on the Audited financial results for the financial year ended 31st March 2017 contains UNMODIFIED opinion.

2. In compliance of provisions of the Companies Act, 2013 for rotation of Auditors, the Board recommended appointment of M/s Brahmayya & Co., Chartered Accountants (Firm Registration No. 000511S), as Statutory Auditors of the Company for a term of 5 years (subject to ratification every year at the AGM) in place of existing Statutory Auditors M/s.Sundaram & Srinivasan, Chartered Accountants, for approval by the Shareholders at the ensuing AGM.

Brief profile of M/s Brahmayya & Co., Chartered Accountants is enclosed for your information and record.

The Board meeting commenced at 4.15 p.m and concluded at 6.30 p.m.

Thanking you,

Yours faithfully

For SUNDARAM BRAKE LININGS LIMITED

S. Ramabadran

Chief Financial Officer & Company Secretary



Encl : As above

MANUFACTURERS OF TVS BRAKE LININGS & CLUTCH FACINGS

Registered Office : 180, Mount Road, Chennai - 600 006.

CIN : L34300TN1974PLC006703



**INDEPENDENT AUDITOR'S REPORT ON THE IND AS FINANCIAL RESULTS OF SUNDARAM
BRAKE LININGS LIMITED, CHENNAI FOR THE YEAR ENDED 31st MARCH 2017**

To
The Board of Directors of Sundaram Brake Linings Limited
Chennai.

1. We have audited the accompanying statements of Ind AS financial results of Sundaram Brake Linings Limited, Chennai ("the company") for the year ended 31st March 2017 ("the statement") being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016. This statement, which is the responsibility of the company's management and approved by the Board of Directors, has been prepared on the basis of relevant Ind AS financial statements which are in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read along with relevant Rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our audit of such Ind AS financial statements.
2. We conducted our audit in accordance with the standards on auditing issued by Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit also includes examining, on a test basis, evidence supporting amounts disclosed in the statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the management, as well as evaluating the overall presentation of the statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis of our audit opinion.
3. In our opinion and to the best of our information and accordingly to the explanations given to us the statement;
 - a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as modified by Circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016; and,
 - b. gives a true and fair view in conformity with the aforesaid accounting standards and other accounting principles generally accepted in India, of the net profit, total comprehensive income and other financial information of the company for the year ended 31st March 2017
4. The statement includes results for the quarter ended 31st March 2017 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year which were subject to limited review by us.
5. The comparative financial information of the Company for the year ended 31st March 2016 included in the Statement are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and have been restated to comply with Ind AS. Adjustments made to the previously issued said statutory financial information for the differences in the accounting principles adopted by the company on transition to Ind AS have been audited by us.

For Sundaram & Srinivasan
Chartered Accountants
Firm Regn.No.004207S

P Menakshi Sundaram
Partner
Membership No.217914

Place: Chennai
Date: 29.05.2017



SUNDARAM BRAKE LININGS LIMITED

CIN: L34300TN1974PLC006703

Regd Office: 180 Anna Salai, Chennai 600 006; Tel. No: 044-26257853; Fax: 044-26254770

AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

Rs. in lacs

	Particulars	Quarter Ended			Year Ended	
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
		(Unaudited)			(Audited)	
1	Income from Operations					
	(a) Gross Sales / Income from operations (Inclusive of Excise Duty)	5,902.08	5,350.99	6,231.03	24,243.21	24,280.86
	(b) Other Operating Income	79.61	65.83	1.17	277.81	137.84
	Total Income from operations	5,981.69	5,416.82	6,232.20	24,521.02	24,418.70
2	Expenditure					
	(a) Cost of materials consumed	2,496.76	2,495.85	2,805.09	10,897.25	10,550.77
	(b) Excise Duty	464.89	390.67	464.90	1,761.13	1,666.68
	(c) Purchases of stock-in-trade	-	-	-	-	-
	(d) Changes in inventories of finished goods and work-in-progress	15.09	(326.73)	200.49	(579.73)	405.50
	(e) Employee benefits expense	1,032.45	1,077.25	862.82	4,466.94	4,177.62
	(f) Depreciation and amortisation expense	108.92	146.69	21.86	541.25	554.39
	(g) Other expenses	1,733.83	1,637.89	1,686.75	7,015.75	6,951.10
	Total Expenses (a ... g)	5,851.94	5,421.62	6,041.91	24,102.59	24,306.06
	Profit/ (Loss) from Operations before Other Income, finance cost and Exceptional items					
3	(1-2)	129.75	(4.80)	190.29	418.43	112.64
4	Other Income	4.14	67.14	109.20	131.32	208.13
	Profit / (Loss) from ordinary activities before finance costs & Exceptional items (3+4)	133.89	62.34	299.49	549.75	320.77
5	Finance costs	56.34	67.34	33.77	252.59	290.12
	Profit / (Loss) from ordinary activities after finance costs but before Exceptional items (5-6)	77.55	(5.00)	265.72	297.16	30.65
7	Exceptional item:					
	Ex-gratia to employees under Voluntary Retirement Scheme	57.75	57.75	0.00	154.00	-
9	Profit / (Loss) from Ordinary Activities Before Tax (7 - 8)	19.80	(62.75)	265.72	143.16	30.65
10	Tax expense					
	- Current Tax	-	-	-	-	-
	- Previous Year's Tax	-	-	-	-	-
	- Deferred Tax	(82.97)	17.29	17.81	(32.67)	71.60
11	Net Profit/ (Loss) from Ordinary Activities After Tax (9 - 10)	102.77	(80.04)	247.91	175.83	(40.95)
12	Extraordinary Items (net) (net of tax expense)	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	102.77	(80.04)	247.91	175.83	(40.95)
14	Other Comprehensive Income (net of tax)	(14.04)	14.41	0.69	(23.56)	(0.08)
15	Total Comprehensive Income (13+14)	88.73	(65.63)	248.60	152.27	(41.03)
16	Paid up Equity Share Capital-Face Value-Rs.10/- each	393.46	393.46	393.46	393.46	393.46
17	Reserves excluding Revaluation Reserve as per balance sheet of accounting year				6,703.16	6,550.89
18	Earnings Per Share (EPS) - in Rs.					
	a) Basic and diluted EPS before Extraordinary items (not annualised) - in Rs.	2.61	(2.03)	6.30	4.47	(1.04)
	b) Basic and diluted EPS after Extraordinary items (not annualised) - in Rs.	2.61	(2.03)	6.30	4.47	(1.04)

For SUNDARAM & SRINIVASAN
Chartered Accountants

P. MENAKSHI SUNDARAM
Partner
M. No. 217914

Notes :

1	Statement of Assets and Liabilities as at 31st March 2017:		Rs. in lacs			
	Particulars	As at 31.03.2017 (Audited)		As at 31.03.2016 (Audited)		As at 01.04.2015 (Audited)
A	ASSETS					
1	Non-current Assets					
	(a) Property, Plant and Equipment	7,063.58		7,402.28		7,742.25
	(b) Capital work-in-progress	-		-		-
	(c) Investment Property	37.66		37.95		38.23
	(d) Other intangible Assets	-		-		-
	(e) Intangible assets under development	-		-		-
			7,101.24		7,440.23	7,780.48
	(f) Financial Assets					
	i. Investments	2.48		2.11		1.71
	ii. Long-term Loans & Advances	357.03		430.12		436.14
	(e) Deferred Tax Assets (Net)	-		-		-
	(f) Other Non-Current Assets	293.58		290.23		293.71
			653.09		722.46	731.56
	Sub-total - Non-current Assets		7,754.33		8,162.69	8,512.04
2	Current Assets					
	(a) Inventories	2,978.40		2,555.79		2,876.54
	(b) Financial Assets					
	i. Trade Receivables	4,384.00		5,321.86		5,403.13
	ii. Cash and cash equivalents	402.21		436.96		343.45
	iii. Short-term loans and advances	500.99		682.56		542.00
	(c) Other Current Assets	-		-		-
			8,265.60		8,997.17	9,165.12
	Sub-total - Current Assets		8,265.60		8,997.17	9,165.12
	TOTAL - ASSETS		16,019.92		17,159.86	17,677.16
B	EQUITY AND LIABILITIES					
1	Equity					
	(a) Equity Share Capital	393.46		393.46		393.46
	(b) Other Equity	6,703.16		6,550.89		6,591.80
	Sub-total - Shareholders' funds		7,096.62		6,944.35	6,985.26
	LIABILITIES					
2	Non-current liabilities					
	(a) Financial Liabilities					
	i. Borrowings	0.00		285.00		764.15
	(b) Provisions	107.17		122.20		72.87
	(c) Deferred Tax Liabilities (Net)	1,240.87		1,269.62		1,198.02
	Sub-total - Non-current liabilities		1,348.04		1,676.82	2,035.04
3	Current liabilities					
	(a) Financial Liabilities					
	i. Short-term borrowings	3,017.02		4,018.85		3,764.88
	ii. Trade payables	3,437.03		3,583.53		3,386.51
	(b) Other current liabilities	316.01		492.69		617.06
	(c) Short-term provisions	805.20		443.62		888.41
	Sub-total - Current liabilities		7,575.26		8,538.69	8,656.86
	TOTAL - EQUITY AND LIABILITIES		16,019.92		17,159.86	17,677.16

For SUNDARAM & SRINIVASAN
Chartered Accountants

P. MENAKSHI SUNDARAM
Partner
M. No. 217914

- 2 The Ministry of Corporate Affairs (MCA) vide Notification dated 16th February, 2015, notified the Companies (Indian Accounting Standards) Rules 2015, (hereinafter referred as Ind-AS). As a standalone entity, Ind-AS would be applicable to the Company w.e.f. 1st April 2017. However the Company being an associate of T V Sundram Iyengar & Sons Limited, who have adopted Ind-AS with effect from 1st April, 2016, the Company was required to present Ind-AS compliant reporting with effect from 1st April 2016. Hence the Company has adopted Ind-AS from the Financial Year 2016-17.
- 3 The operations of the Company relate only to one segment viz., friction materials.
- 4 Voluntary Retirement Scheme (VRS) for Workmen was announced in July 2016 under which 26 workmen opted for the same. The total Compensation for VRS of Rs. 154 lacs has been shown as an Exceptional Item for the Year ended 31st Mar. 2017.
- 5 The above audited financial results were reviewed and recommended by the audit committee and approved by the Board of Directors at its meeting held on 29th May, 2017. The limited review of the financial results for the quarters ended 30th June 2016, 30th September 2016 and 31st December 2016 were carried out by the Statutory Auditors of the company.
- 6 The Company has adopted the Indian Accounting Standards (Ind AS) from 1st April 2016 and these financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
- 7 The format of quarterly results as prescribed by SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November 2015 has been modified to comply with the requirements of SEBI Circulars dated 5th July 2016, 20th September 2016 and Ind AS and Schedule III to the Companies Act, 2013.
- 8 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May 2016, the company hereby declares that the Auditors have issued Audit Reports for Ind AS Financial results with unmodified opinion for the year ended 31st March 2017.
- 9 The Reconciliation of the Net Profit reported under Indian GAAP for the quarter ended and Year Ended 31st March 2016 with Ind AS is given below:

Description	(Amount in Rs. Lakhs)	
	Quarter Ended 31st March 2016	Year Ended 31st March 2016
Net Profit/(loss) as per Indian GAAP	265.78	30.30
Deferred Tax due to change from Income Method to WDV method	(17.93)	(71.72)
Add: Actuarial loss on Employee Defined Benefit (Leave Encashment) recognised in "Other Comprehensive Income"	7.03	28.23
Less: Actuarial Gain on Employee Defined Benefit (Gratuity) recognised in "Other Comprehensive Income"	(7.00)	(27.88)
Net Deferred tax Asset on the Remeasurement of Employee Defined Benfit plans	0.03	0.12
Add: Other Income (Interest Income on Financial Assets Remeasurement)	0.36	1.38
Less: Employee Benefit Expenses	(0.36)	(1.38)
Profit as per IND AS	<u>247.91</u>	<u>(40.95)</u>
Other Comprehensive Income		
Decrease in Value of Unquoted Investments	0.75	0.41
Actuarial Gain/ (Loss) on Employee Defined Benefits	(0.06)	(0.49)
Total Other Comprehensive Income	0.69	(0.08)
Total Comprehensive Income	<u>248.60</u>	<u>(41.03)</u>

- 10 Other Comprehensive Income mainly comprise of the impact on movement in fair value of Non-Current Investments in Equity, Remeasurement of Defined Plan Benefits
- 11 The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial years ended 31.03.2017 / 31.03.2016.
- 12 Prior period figures have been regrouped wherever necessary to conform to current period classification.

On behalf of the Board
For SUNDARAM BRAKE LININGS LIMITED



KRISHNA MAHESH
MANAGING DIRECTOR

Chennai
29th May, 2017

Visit our website : www.tvbrakelinings.com

For SUNDARAM & SRINIVASAN
Chartered Accountants

P. MENAKSHI SUNDARAM
Partner
M. No. 217914

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Brief profile of M/s Brahmayya & Co., Chartered Accountants

M/s Brahmayya & Co., Chartered Accountants (Firm Registration No. 000511S), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI). The Audit firm was founded in 1932 by Mr. Parvataneni Brahmayya. The Audit Firm has 29 partners all over India with an experienced engagement team of 350 + members. It has rich experience in Audit & Assurance, Taxation Consultancy, Corporate Advisory, Risk Mitigation etc.



MANUFACTURERS OF TVS BRAKE LININGS & CLUTCH FACINGS

Registered Office : 180, Mount Road, Chennai - 600 006.

CIN : L34300TN1974PLC006703