



Sundram Fasteners Limited

REGISTERED & CORPORATE OFFICE,
98-A, VII FLOOR, DR.RADHAKRISHNAN SALAI, MYLAPORE, CHENNAI 600 004, INDIA.

PRESS RELEASE

Sundram Fasteners Limited recorded total sales and other income of Rs. 1336.60 crores for the year ended March 31, 2010 as against Rs. 1265.64 crores achieved during the previous year.

Domestic sales, net of excise duties, were at Rs. 1001.71 crores as against Rs. 833.07 crores. Exports sales were at Rs.332.15 crores as against Rs.429.13 crores in the previous year, in view of the continuing recessionary trends in global automotive industry.

Operating expenses were at Rs.1166.27 crores compared to Rs. 1101.86 crores during the previous year. Higher cost of manufacturing inputs, additional usage of captive power and retroactive wage hike to employees, arising out of long term settlements in some of the major factories made inroads into the operating margins. Gross Profit before interest, depreciation and provision for taxation was at Rs. 170.33 crores during the year as against Rs. 163.78 crores in the previous year.

Interest charges were Rs 25.48 crores (Rs 38.50 crores). Exchange fluctuations on foreign currency loans resulted in a gain of Rs. 10.48 crores as against a loss of Rs. 60.70 crores.

Depreciation for the year was Rs. 47.49 crores (Rs. 42.23 crores). The provision for taxes including deferred taxes and tax relating to earlier year was at Rs. 32.83 crores (Rs. 4.94 crores). The net profit was at Rs. 75.01 crores (Rs. 17.41 crores).

The Directors have decided to pay a Second Interim Dividend of Re. 0.50 per share (face value Re 1 each) which together with the Interim Dividend of Rs. 0.40 declared and paid earlier would amount to a total dividend for the year of Rs. 0.90 per share of Re. 1 each. Second Interim Dividend will also absorb a total amount of Rs. 10.51 crores. The directors have not recommended any final dividend. A sum of Rs 50 crores has been transferred to the General Reserve.

The subsidiaries showed a mixed performance. Subsidiaries engaged in servicing the requirements of emerging markets have performed better than in the previous year. Subsidiaries catering to developed markets have performed poorly because of adverse market conditions. Sales and other income of subsidiaries declined to Rs.415.36 crores from Rs.576.15 crores. The subsidiaries made a cash loss of Rs.9.73 crores as against a cash profit of Rs.38.04 crores during the previous financial year. Net Loss amount to Rs.27.79 crores as against net profit of Rs.18.62 crores in the earlier year.

The consolidated sales of the Company and its subsidiaries after adjusting inter-company transactions stood at Rs.1694.81 crores from Rs. 1797.24 crores. Profit after tax for the year increased to Rs.47.23 crores as against Rs.34.32 crores.
