

RICO AUTO INDUSTRIES LIMITED

Regd. & Corp. Office : 38 KM Stone, Delhi - Jaipur Highway, Gurugram - 122001 (Haryana) CIN:L34300HR1983PLC023187

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2017

(Rs. in Million)

PART 1

	Particulars	Quarter Ended			Half Year Ended	
		30-09-2017 (Unaudited)	30-06-2017 (Unaudited)	30-09-2016 (Unaudited)	30-09-2017 (Unaudited)	30-09-2016 (Unaudited)
1	Revenue from operations (gross)	2,706.80	2,628.60	2,687.50	5,335.40	5,327.30
2	Other income	65.10	74.10	46.70	139.20	115.30
3	Total Revenue (1 + 2)	2,771.90	2,702.70	2,734.20	5,474.60	5,442.60
4	Expenses					
	Cost of raw material and components consumed	1,729.30	1,564.40	1,614.00	3,293.70	3,223.50
	Purchase of traded goods	49.70	60.50	41.80	110.20	94.10
	Change in inventories of finished goods and work in progress	5.30	(27.00)	(3.70)	(21.70)	(61.30)
	Excise Duty on sales	-	174.50	173.10	174.50	339.90
	Employee benefits expense	250.20	237.50	227.00	487.70	458.40
	Finance costs	44.50	34.60	35.60	79.10	87.20
	Depreciation and amortisation	100.10	99.70	87.80	199.80	178.80
	Other expenses	398.60	402.10	350.70	800.70	717.30
	Total Expenses	2,577.70	2,546.30	2,526.30	5,124.00	5,037.90
5	Profit before exceptional items and tax (3 - 4)	194.20	156.40	207.90	350.60	404.70
6	Exceptional items [expense/(income)]	17.50	4.30	0.60	21.80	4.40
7	Profit before tax	176.70	152.10	207.30	328.80	400.30
8	Tax expense:					
	a) Current Tax	58.30	41.70	55.10	100.00	101.50
	b) Deferred Tax	(7.50)	(2.90)	(1.30)	(10.40)	(4.60)
9	Profit for the year (7 - 8)	125.90	113.30	153.50	239.20	303.40
10	Other Comprehensive Income / (Loss)					
	a (i) Items that will not be reclassified to profit or loss	5.90	(7.70)	(7.30)	(1.80)	(7.00)
	a (ii) Income tax relating to items that will not be reclassified to profit or loss	(2.10)	2.70	2.50	0.60	2.40
	b (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	b (ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
11	Total Comprehensive Income (9+10)	129.70	108.30	148.70	238.00	298.80
12	Paid up equity share capital (Face value of Re.1/- per share)	135.30	135.30	135.30	135.30	135.30
13	Basic and diluted earning per equity share [nominal value of share September 30, 2017 : Re.1/- (March 31, 2017 : Re. 1/-)]	0.93	0.84	1.13	1.77	2.24

The Company adopted Indian Accounting Standards (IndAS) from 1st April, 2017 as per road map released by Ministry of Corporate Affairs (MCA). Reconciliation of Net Profit after tax as previously reported under Indian GAAP and IndAS for the quarter and half year ended 30th September, 2016 are as follows:

(Rs. in Million)				
S.No.	Description	Quarter Ended		Half Year Ended
		30-09-2016	30-09-2016	30-09-2016
1	Net Profit as per Previous Indian GAAP	135.70		276.40
2	Measurement of Current investment at MTM	0.80		1.40
3	EIR adjustments	17.50		30.80
4	Adjustment for recording actuarial (gains)/losses in OCI	7.30		7.00
5	Adjustment of Prior period Items	0.90		1.40
6	Others*	0.00		0.00
7	Deferred tax impact of above adjustments	(8.70)		(13.60)
8	Net Profit as per IndAS	153.50		303.40
9	Other Comprehensive Income (Net of Tax)	(4.80)		(4.60)
10	Total Comprehensive Income (8+9)	148.70		298.80

* Amounts have been rounded off to zero

NOTES

1) The above Financial Results were reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors in their meeting held on 2nd December, 2017.

2) The Limited Review of the standalone and consolidated results has been completed by the Statutory Auditors of the Company.

3) As per Indian Accounting Standard (IndAS) 108 "Operating Segment", the Company's business falls within a single business segment viz. "Automotive Components".

4) The Consolidated Financial Results of the Company have been prepared in accordance with the Indian Accounting Standards (IndAS) 27 "Separate Financial Statements", Indian Accounting Standard (IndAS) 110 "Consolidated Financial Statements", Indian Accounting Standard (IndAS) 112 "Disclosure of Interest in Other Entities" and Indian Accounting Standard (IndAS) 28 "Financial Reporting of Investment in Associates and Joint Ventures (as applicable) notified under The Companies Act 2013 ("the Act").

5) Exceptional Items include expenditure incurred pursuant to Voluntary Retirement Scheme of the Company amounting to Rs.17.50 Million for the quarter ended 30th September, 2017 (Rs 21.80 Million for half year ended on 30th September, 2017).

6) The Scheme of Amalgamation of Uttarakhand Automotives Limited, Wholly Owned Subsidiary with its Holding Company Rico Auto Industries Limited as approved by the Shareholders on 30th January, 2017 has been filed with the Hon'ble High Court of Punjab and Haryana at Chandigarh. Consequent to amendment in the Companies Act, 2013, the matter has been transferred to National Company Law Tribunal, Chandigarh (NCLT). The matter heard on 30th November, 2017 and order has been kept reserved by the Hon'ble NCLT.

7) Finance Cost of standalone results includes exchange difference arising from foreign currency short term borrowings regarded as an adjustment to interest cost as under:

Particulars	Quarter Ended			Half Year Ended	
	30-09-2017	30-06-2017	30-09-2016	30-09-2017	30-09-2016
Net loss/(gain) on Foreign Currency transactions and translation	3.20	1.60	(8.40)	4.80	8.90

8) In the consolidated results, export sales of Rs.1,021.70 Million for the period ended 30th September, 2017 made to wholly owned foreign subsidiaries in USA and UK from the Company is eliminated. Standalone export sales from the Company is Rs.1,282.90 Million for the period ended 30th September, 2017 which constitute 25.44% of the net sales.

9) The list of entities included in the consolidated financial results for the quarter ended 30th September, 2017 are as follows:

- i. Rico Auto Industries Inc. USA - Wholly Owned Subsidiary
- ii. Rico Auto Industries (UK) Limited - Wholly Owned Subsidiary
- iii. Uttarakhand Automotives Limited - Wholly Owned Subsidiary
- iv. AAN Engineering Industries Limited - Wholly Owned Subsidiary
- v. Rico Investments Limited - Subsidiary
- vi. Rico Jinfei Wheels Limited - Step-down Subsidiary
- vii. Rasa Autocom Limited - Step-down Subsidiary
- viii. Rico Aluminium and Ferrous Auto Components Limited - Step-down Subsidiary
- ix. Magna Rico Powertrain Private Limited - Joint Venture

10) Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Excise Duty, VAT and other indirect taxes were subsumed into GST. In accordance with Indian Accounting Standard - 18 (IndAS -18) on Revenue and Schedule III of Companies Act, 2013, unlike Excise Duties, levies like GST is not part of Revenue, accordingly, the figures for the period upto 30th June, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding :

Particulars	Quarter Ended			Half Year Ended	
	30-09-2017	30-06-2017	30-09-2016	30-09-2017	30-09-2016
Revenue from operations (gross)	2,706.80	2,628.60	2,687.50	5,335.40	5,327.30
Excise Duty on sales	-	174.50	173.10	174.50	339.90
Revenue from operations (net of excise duty)	2,706.80	2,454.10	2,514.40	5,160.90	4,987.40

11) The financial results for the quarter and half year ended 30th September, 2016 are also IndAS compliant. The Management has exercised necessary due diligence to ensure that the financial results give a true and fair view. This has not been subjected to limited review or audit.

12) Previous quarter's amounts have been re-grouped/re-classified, wherever considered necessary to make them comparable with those of the current quarter.

13) Results are available at Company's website ricoauto.in and at bseindia.com and nseindia.com.

for RICO AUTO INDUSTRIES LIMITED

Arvind Kapur
Chairman, CEO & Managing Director
DIN : 00096308

Place : Gurugram

Date : 2nd December, 2017

**CONSOLIDATED UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2017**

(Rs. in Million)

Particulars	Quarter Ended			Half Year Ended	
	30-09-2017 (Unaudited)	30-06-2017 (Unaudited)	30-09-2016 (Unaudited)	30-09-2017 (Unaudited)	30-09-2016 (Unaudited)
1 Revenue from operations (gross)	2,999.90	2,938.20	2,910.20	5,938.10	5,719.00
2 Other income	44.90	48.10	20.70	93.00	64.40
3 Total Revenue (1 + 2)	3,044.80	2,986.30	2,930.90	6,031.10	5,783.40
4 Expenses					
Cost of raw material and components consumed	1,531.50	1,359.00	1,321.20	2,890.50	2,625.60
Purchase of traded goods	-	-	6.60	-	18.00
Change in inventories of finished goods and work in progress	21.80	2.50	(8.30)	24.30	(63.80)
Excise Duty	-	203.20	202.30	203.20	392.90
Employee benefits expense	361.50	346.50	339.10	708.00	677.90
Finance costs	49.00	36.70	34.60	85.70	89.40
Depreciation and amortisation	132.90	131.10	113.10	264.00	227.60
Other expenses	758.10	738.20	695.80	1,496.30	1,394.50
Total Expenses	2,854.80	2,817.20	2,704.40	5,672.00	5,362.10
5 Share of profit / (loss) of Joint Venture	(2.50)	18.70	14.10	16.20	24.10
6 Profit before extra-ordinary items and tax (3 - 4 + 5)	187.50	187.80	240.60	375.30	445.40
7 Exceptional items [expense/(income)]	17.70	8.30	0.90	26.00	5.70
8 Profit before tax	169.80	179.50	239.70	349.30	439.70
9 Tax expense:					
a) Current Tax	62.50	43.90	62.40	106.40	114.00
b) Deferred Tax	(12.80)	(4.30)	(14.20)	(17.10)	(23.70)
10 Profit for the year (8 - 9)	120.10	139.90	191.50	260.00	349.40
11 Minority Interest	0.70	(0.60)	3.20	0.10	2.80
12 Net Profit for the year after minority interest	119.40	140.50	188.30	259.90	346.60
13 Other Comprehensive Income / (Loss) (Net of taxes)					
a (i) Items that will not be reclassified to profit or loss	33.40	(10.50)	(12.00)	22.90	(12.30)
a (ii) Income tax relating to items that will not be reclassified to profit or loss*	(3.60)	3.60	2.70	(0.03)	2.80
b (i) Items that will be reclassified to profit or loss	-	-	-	-	-
b (ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
14 Total Comprehensive Income (12+13)	149.20	133.60	179.00	282.77	337.10
15 Paid up equity share capital (Face value of Re.1/- per share)	135.30	135.30	135.30	135.30	135.30
16 Basic and diluted earning per equity share [nominal value of share September 30, 2017 : Re.1/- (March 31, 2017 : Re. -)]	0.88	1.04	1.39	1.92	2.56

1) The Company adopted Indian Accounting Standards (IndAS) from 1st April 2017 as per road map released by Ministry of Corporate Affairs (MCA). Reconciliation of Net Profit after tax as previously reported under Indian GAAP and IndAS for the quarter ended 30th September, 2016 and half year ended 30th September 2016 are as follows:

(Rs. in Million)

S.No.	Description	Quarter Ended	Half Year Ended
		30-09-2016	30-09-2016
1	Net Profit as per Previous Indian GAAP	170.10	325.90
2	Measurement of Current investment at MTM	1.70	3.10
3	EIR adjustments	3.90	2.30
4	Adjustment for recording actuarial (gains)/losses in OCI	7.70	8.00
5	Adjustment of Prior period Items	0.90	1.50
6	Others*	0.00	0.00
7	Deferred tax impact of adjustments	4.00	5.80
8	Net Profit as per IndAS	188.30	346.60
9	Other Comprehensive Income (Net of Tax)	(9.30)	(9.50)
10	Total Comprehensive Income (8+9)	179.00	337.10

* Amounts have been rounded off to zero

2) Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Excise Duty, VAT and other indirect taxes were subsumed into GST. In accordance with Indian Accounting Standard - 18 (IndAS -18) on Revenue and Schedule III of Companies Act, 2013, unlike Excise Duties, levies like GST is not part of Revenue, accordingly, the figures for the period upto 30th June, 2017 are not strictly relatable to those thereafter. The following additional information is being provided to facilitate such understanding :

Particulars	Quarter Ended			Half Year Ended	
	30-09-2017	30-06-2017	30-09-2016	30-09-2017	30-09-2016
Revenue from operations (gross)	2,999.90	2,938.20	2,910.20	5,938.10	5,719.00
Excise Duty on sales	-	203.20	202.30	203.20	392.90
Revenue from operations (net of excise duty)	2,999.90	2,735.00	2,707.90	5,734.90	5,326.10

STATEMENT OF ASSETS AND LIABILITIES		
CONSOLIDATED	DESCRIPTION	STANDALONE
As at 30.09.2017		As at 30.09.2017
Unaudited		Unaudited
	I. ASSETS	
	(1) NON-CURRENT ASSETS	
4,282.30	(a) Property, plant and equipment	3,238.70
-	(b) Other intangible assets	-
648.70	(c) Capital work-in-progress	580.40
-	(d) Financial Assets	-
218.70	(i) Investments	1,368.70
725.90	(ii) Loans	794.70
0.40	(iii) Other financial assets	0.40
189.70	(e) Other non-current assets	80.00
6,065.70		6,062.90
	(2) CURRENT ASSETS	
1,256.20	(a) Inventories	509.70
-	(b) Financial Assets	-
25.60	(i) Current Investments	25.60
2,272.50	(ii) Trade Receivable	2,298.70
17.90	(iii) Cash and Bank balance	5.70
78.70	(iv) Bank balances other than (iii) above	73.20
3.00	(v) Loans	1.80
82.90	(vi) Other financial assets	49.70
656.10	(c) Other Current Assets	523.00
4,392.90		3,487.40
10,458.60	TOTAL	9,550.30
	(1) EQUITY AND LIABILITIES	
135.30	(a) Equity Share Capital	135.30
5,217.00	(b) Other Equity	5,117.40
5,352.30	Equity attributable to owners of the Company	5,252.70
43.70	Non-controlling interests	-
5,396.00	Total Equity	5,252.70
	(2) NON-CURRENT LIABILITIES	
622.70	(a) Financial Liabilities	
	(i) Borrowings	528.50
209.80	(b) Provisions	127.50
84.60	(c) Deferred tax liabilities (net)	167.10
19.80	(d) Other non-current liabilities	17.60
936.90	Total non-current liabilities	840.70
	(3) CURRENT LIABILITIES	
1,315.30	(a) Financial Liabilities	
	(i) Borrowings	1,271.50
1,667.30	(ii) Trade Payables	1,203.30
879.40	(iii) Other financial liabilities	789.90
190.80	(b) Other current liabilities	143.70
2.70	(c) Provisions	-
70.20	(d) Current tax liabilities (net)	48.50
4,125.70		3,456.90
10,458.60	TOTAL	9,550.30