

# 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, 2020

(Rs. in Millions)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	<b>3,425.50</b>	1,276.90	3,102.80	<b>4,702.40</b>	6,149.90	11,927.30
2 Other income	<b>108.70</b>	34.30	80.10	<b>143.00</b>	154.10	335.40
3 Total revenue (1 + 2)	<b>3,534.20</b>	1,311.20	3,182.90	<b>4,845.40</b>	6,304.00	12,262.70
4 Expenses						
Cost of raw material and components consumed	<b>2,198.00</b>	709.00	1,990.60	<b>2,907.00</b>	4,004.50	7,605.90
Purchase of traded goods	<b>15.30</b>	5.30	16.90	<b>20.60</b>	32.20	61.80
Change in inventories of finished goods and work in progress	<b>(54.20)</b>	53.50	(31.50)	<b>(0.70)</b>	(17.10)	(39.50)
Other manufacturing expenses	<b>278.90</b>	110.30	240.90	<b>389.20</b>	469.30	936.90
Employee benefits expense	<b>431.90</b>	287.00	420.60	<b>718.90</b>	813.70	1,686.40
Finance costs	<b>90.20</b>	85.90	58.50	<b>176.10</b>	120.50	271.80
Depreciation and amortisation	<b>164.40</b>	109.00	149.00	<b>273.40</b>	288.90	599.60
Other expenses	<b>448.80</b>	165.50	249.10	<b>614.30</b>	426.20	951.20
Total expenses	<b>3,573.30</b>	1,525.50	3,094.10	<b>5,098.80</b>	6,138.20	12,074.10
5 Profit / (Loss) before exceptional items and tax (3 - 4)	<b>(39.10)</b>	(214.30)	88.80	<b>(253.40)</b>	165.80	188.60
6 Exceptional items [expense/(income)]	<b>22.90</b>	1.60	5.80	<b>24.50</b>	7.20	52.10
7 Profit / (Loss) before tax (5 - 6)	<b>(62.00)</b>	(215.90)	83.00	<b>(277.90)</b>	158.60	136.50
8 Tax expense:						
a) Current tax	-	-	7.60	-	27.00	22.30
b) Deferred tax	<b>(20.10)</b>	(68.90)	(0.30)	<b>(89.00)</b>	(6.80)	(51.60)
9 Profit / (Loss) for the year (7 - 8)	<b>(41.90)</b>	(147.00)	75.70	<b>(188.90)</b>	138.40	165.80
10 Other Comprehensive Income/ (Loss) (Net of taxes)						
a (i) Items that will not be reclassified to profit or loss	<b>(2.00)</b>	0.90	(18.70)	<b>(1.10)</b>	(18.10)	(17.50)
a (ii) Income tax relating to items that will not be reclassified to profit or loss	<b>0.70</b>	(0.30)	0.20	<b>0.40</b>	-	6.30
b (i) Effective portion of Gain/ (Loss) on designated portion of hedging instruments in a cash flow hedge	<b>(7.20)</b>	16.80	(7.40)	<b>9.60</b>	(14.20)	(69.50)
b (ii) Income tax relating to items that will be reclassified to profit or loss	<b>2.40</b>	(5.40)	2.50	<b>(3.00)</b>	4.80	24.30
11 Total Comprehensive Income / (Loss) (9+10)	<b>(48.00)</b>	(135.00)	52.30	<b>(183.00)</b>	110.90	109.40
12 Paid up equity share capital (Face value of Re.1/- per share)	<b>135.30</b>	135.30	135.30	<b>135.30</b>	135.30	135.30
13 Basic and diluted earning per equity share [nominal value of share as on September 30, 2020 : Re.1/- (March 31, 2020 : Re.1/-)]	<b>(0.31)*</b>	(1.09)*	0.56*	<b>(1.40)*</b>	1.02*	1.23

\* Not annualised

**CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2020**

(Rs. in Millions)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	<b>3,974.70</b>	1,433.90	3,626.60	<b>5,408.60</b>	7,279.80	14,010.70
2 Other income	<b>49.80</b>	28.00	48.10	<b>77.80</b>	82.20	227.10
3 Total revenue (1 + 2)	<b>4,024.50</b>	1,461.90	3,674.70	<b>5,486.40</b>	7,362.00	14,237.80
4 Expenses						
Cost of raw material and components consumed	<b>2,110.80</b>	663.00	1,960.40	<b>2,773.80</b>	4,006.60	7,413.90
Purchase of traded goods	-	7.30	-	<b>7.30</b>	-	-
Change in inventories of finished goods and work in progress	<b>20.50</b>	79.80	(28.40)	<b>100.30</b>	(13.70)	(8.60)
Other manufacturing expense	<b>500.50</b>	194.90	471.80	<b>695.40</b>	937.00	1,817.00
Employee benefits expense	<b>622.00</b>	413.90	617.30	<b>1,035.90</b>	1,212.50	2,463.70
Finance costs	<b>104.20</b>	92.40	69.70	<b>196.60</b>	142.70	312.00
Depreciation and amortisation	<b>204.10</b>	143.80	198.50	<b>347.90</b>	388.90	795.70
Other expenses	<b>494.70</b>	201.10	304.50	<b>695.80</b>	549.70	1,187.20
Total expenses	<b>4,056.80</b>	1,796.20	3,593.80	<b>5,853.00</b>	7,223.70	13,980.90
5 Profit / (Loss) before extra-ordinary items and tax (3 - 4)	<b>(32.30)</b>	(334.30)	80.90	<b>(366.60)</b>	138.30	256.90
6 Exceptional items [expense/(income)]	<b>24.10</b>	1.60	18.10	<b>25.70</b>	20.60	67.90
7 Profit / (Loss) before tax (5 - 6)	<b>(56.40)</b>	(335.90)	62.80	<b>(392.30)</b>	117.70	189.00
8 Tax expense:						
a) Current tax	<b>9.90</b>	2.80	39.00	<b>12.70</b>	48.80	78.40
b) Deferred tax	<b>(21.40)</b>	(92.00)	(35.50)	<b>(113.40)</b>	(30.00)	(56.20)
9 Profit / (Loss) for the year (7 - 8)	<b>(44.90)</b>	(246.70)	59.30	<b>(291.60)</b>	98.90	166.80
10 Other Comprehensive Income / (Loss) (Net of taxes)						
a (i) Items that will not be reclassified to profit or loss	<b>(7.20)</b>	1.30	(9.90)	<b>(5.90)</b>	(15.00)	(15.70)
a (ii) Income tax relating to items that will not be reclassified to profit or loss*	<b>2.30</b>	(0.30)	(1.80)	<b>2.00</b>	-	5.50
b (i) Items that will be reclassified to profit or loss	<b>(4.70)</b>	17.00	-	<b>12.30</b>	-	11.80
b (ii) Effective portion of Gain /(Loss) on designated portion of hedging instruments in a cash flow hedge	<b>(7.20)</b>	16.80	(7.40)	<b>9.60</b>	(14.20)	(69.50)
b (iii) Income tax relating to items that will be reclassified to profit or loss	<b>2.40</b>	(5.40)	2.50	<b>(3.00)</b>	4.80	24.30
11 Total Comprehensive Income / (Loss) (9+10)	<b>(59.30)</b>	(217.30)	42.70	<b>(276.60)</b>	74.50	123.20
a. Net profit attributable to :						
(i) Owners of the company	<b>(47.10)</b>	(243.50)	59.20	<b>(290.60)</b>	99.20	166.00
(ii) Non-controlling interest	<b>2.20</b>	(3.20)	0.10	<b>(1.00)</b>	(0.30)	0.80
b. Other Comprehensive Income attributable to :						
(i) Owners of the company	<b>(14.40)</b>	29.50	(16.60)	<b>15.00</b>	(24.50)	(43.60)
(ii) Non-controlling interest	<b>0.00</b>	(0.10)	(0.00)	<b>(0.00)</b>	0.10	(0.00)
c. Total Comprehensive Income attributable to :						
(i) Owners of the company	<b>(61.50)</b>	(214.00)	42.60	<b>(275.60)</b>	74.80	122.40
(ii) Non-controlling interest	<b>2.20</b>	(3.30)	0.20	<b>(1.00)</b>	(0.30)	0.80
12 Net Profit/(Loss) for the year after non-controlling interest [9 - 11a(ii)]	<b>(47.10)</b>	(243.50)	59.20	<b>290.60</b>	99.20	166.00
13 Paid up equity share capital (Face value of Re.1/- per share)	<b>135.30</b>	135.30	135.30	<b>135.30</b>	135.30	135.30
14 Basic and diluted earning per equity share [nominal value of share as on September 30, 2020 : Re.1/- (March 31, 2020 : Re.1/-)]	<b>(0.35)*</b>	(1.80)*	0.44*	<b>(2.15)*</b>	0.73*	1.23

\* Not annualised



(Rs. in Millions)

<b>STATEMENT OF ASSETS AND LIABILITIES</b>				
<b>CONSOLIDATED</b>		<b>DESCRIPTION</b>	<b>STANDALONE</b>	
<b>Unaudited</b>	<b>Audited</b>		<b>Unaudited</b>	<b>Audited</b>
<b>30.09.2020</b>	<b>31.03.2020</b>		<b>30.09.2020</b>	<b>31.03.2020</b>
		<b>I. ASSETS</b>		
		(1) NON-CURRENT ASSETS		
<b>6,864.30</b>	6,870.30	(a) Property, plant and equipment	<b>5,595.90</b>	5,595.90
<b>768.20</b>	633.50	(b) Capital work-in-progress	<b>644.40</b>	500.10
<b>39.70</b>	44.80	(c) Other intangible assets	<b>29.20</b>	32.50
-	-	(d) Financial Assets	-	-
-	-	(i) Investment	<b>1,375.60</b>	1,375.60
<b>724.60</b>	765.00	(ii) Loans	<b>629.40</b>	662.60
<b>106.70</b>	82.70	(iii) Other financial assets	<b>76.60</b>	82.70
<b>123.90</b>	97.40	(e) Deferred tax assets (net)	-	-
<b>191.10</b>	197.80	(f) Other non-current assets	<b>167.40</b>	184.90
<b>8,818.50</b>	8,691.50		<b>8,518.50</b>	8,434.30
		(2) CURRENT ASSETS		
<b>1,951.80</b>	1,850.20	(a) Inventories	<b>1,360.20</b>	1,268.00
-	-	(b) Financial Assets	-	-
<b>2,972.00</b>	2,662.40	(i) Trade Receivable	<b>2,829.60</b>	2,506.90
<b>79.00</b>	118.30	(ii) Cash and cash equivalent	<b>27.90</b>	12.70
<b>16.50</b>	47.50	(iii) Bank balances other than (ii) above	<b>14.90</b>	14.90
<b>60.10</b>	64.00	(iv) Loans	<b>6.90</b>	10.20
<b>334.40</b>	265.00	(v) Other financial assets	<b>313.90</b>	323.30
<b>550.90</b>	560.10	(c) Other current assets	<b>413.10</b>	437.20
<b>21.20</b>	23.90	(d) Other tax assets	<b>11.90</b>	11.90
<b>5,985.90</b>	5,591.40		<b>4,978.40</b>	4,585.10
<b>14,804.40</b>	14,282.90	<b>TOTAL</b>	<b>13,496.90</b>	13,019.40
		<b>II EQUITY AND LIABILITIES</b>		
		(1) EQUITY		
<b>135.30</b>	135.30	(a) Equity Share Capital	<b>135.30</b>	135.30
<b>5,796.30</b>	6,074.50	(b) Other Equity	<b>5,536.40</b>	5,719.90
<b>5,931.60</b>	6,209.80	<b>Equity attributable to owners of the Company</b>	<b>5,671.70</b>	5,855.20
<b>27.80</b>	28.80	Non-controlling interest	-	-
<b>5,959.40</b>	6,238.60	<b>Total Equity</b>	<b>5,671.70</b>	5,855.20
		(2) NON-CURRENT LIABILITIES		
<b>1,804.00</b>	2,098.20	(a) Financial Liabilities		
<b>117.80</b>	102.70	(i) Borrowings	<b>1,818.70</b>	2,073.70
<b>260.20</b>	231.20	(ii) Other financial liabilities	<b>38.80</b>	26.10
<b>2.00</b>	85.80	(b) Provisions	<b>146.50</b>	128.80
<b>24.80</b>	34.00	(c) Deferred tax liabilities (net)	<b>13.40</b>	99.80
		(d) Other non-current liabilities	<b>20.30</b>	29.40
<b>2,208.80</b>	2,551.90	<b>Total non-current liabilities</b>	<b>2,037.70</b>	2,357.80
		(3) CURRENT LIABILITIES		
<b>2,042.10</b>	1,635.50	(a) Financial Liabilities		
<b>460.20</b>	297.70	(i) Borrowings	<b>1,813.70</b>	1,538.10
		a) Total outstanding Dues of Micro and Small enterprises.	<b>296.70</b>	226.70
<b>2,397.10</b>	2,236.10	b) Total outstanding Dues of Creditors other than micro and Small enterprises.	<b>2,153.00</b>	1,864.40
<b>1,465.50</b>	975.20	(ii) Other financial liabilities	<b>1,317.60</b>	902.20
<b>265.10</b>	326.10	(b) Other current liabilities	<b>206.50</b>	275.00
<b>5.20</b>	10.00	(c) Provisions	-	-
<b>1.00</b>	11.80	(d) Current tax liabilities (net)	-	-
<b>6,636.20</b>	5,492.40		<b>5,787.50</b>	4,806.40
<b>14,804.40</b>	14,282.90	<b>TOTAL</b>	<b>13,496.90</b>	13,019.40



(Rs in Millions)

CASH FLOW STATEMENT				
CONSOLIDATED		DESCRIPTION	STANDALONE	
Unaudited			Unaudited	
30.09.2020	30.09.2019		30.09.2020	30.09.2019
		<b>A. Cash flow from operating activities</b>		
(392.30)	117.70	<b>Net profit / (loss) before tax</b>	(277.90)	158.60
-	-	Adjustments for:	-	-
347.90	388.80	Depreciation and amortisation	273.40	288.90
(0.30)	0.60	Excess provision written book	(0.30)	0.60
-	-	Dividend income from subsidiary companies	(56.30)	(45.00)
(13.60)	(0.70)	Profit on sale of property, plant and equipment	(13.80)	(0.70)
13.70	(10.80)	Unrealised foreign exchange (gain)/loss, net	13.70	(10.80)
196.60	142.70	Finance costs	176.10	120.50
(12.30)	-	Unwinding of deferred revenue	(12.30)	-
(48.70)	(44.90)	Interest income	(40.10)	(44.90)
<b>91.00</b>	<b>593.40</b>	<b>Operating profit before working capital changes</b>	<b>62.50</b>	<b>467.20</b>
		<b>Movement in working capital</b>		
(101.60)	(113.60)	Decrease/(Increase) in inventories	(92.20)	(181.30)
(323.30)	(87.20)	Decrease/(Increase) in trade receivables	(336.50)	(72.40)
(42.10)	(53.40)	(Increase) in other financial assets (current and non-current)	(31.00)	(10.00)
32.30	47.50	Decrease/(increase) in other assets (current and non-current)	45.20	48.00
323.80	253.70	Increase/(decrease) in trade payables	358.70	186.20
158.70	102.40	Increase/(decrease) in other financial liabilities (current and non-current)	155.60	44.30
(58.40)	(181.10)	Increase/(decrease) in other liabilities and provisions (current and non-current)	(59.90)	(157.20)
<b>80.30</b>	<b>561.70</b>		<b>102.40</b>	<b>324.80</b>
(24.80)	(68.20)	Direct taxes paid (net of refunds)	(3.70)	(36.90)
<b>55.60</b>	<b>493.50</b>	<b>Net cash generated from operating activities</b>	<b>98.80</b>	<b>287.90</b>
		<b>B. Cash flow from investing activities</b>		
(514.10)	(677.40)	Purchase of property, plant and equipment (including capital advances)	(456.70)	(605.60)
56.20	1.30	Sale of property, plant and equipment	56.20	1.30
31.00	-	Movement in bank deposits	-	-
-	-	Purchase of investments	-	(10.00)
-	-	Dividend income from subsidiary companies	56.30	45.00
(37.00)	-	Loan received back / (paid) from related parties	79.50	-
79.00	46.10	Interest received	37.70	46.10
<b>(384.90)</b>	<b>(630.00)</b>	<b>Net cash used in investing activities</b>	<b>(227.00)</b>	<b>(523.20)</b>
		<b>C. Cash flow from financing activities</b>		
258.10	577.70	Proceeds from non-current borrowings	304.70	552.70
15.10	-	Proceeds / (payment) from lease liabilities	11.10	-
(201.50)	(330.70)	Repayment of non-current borrowings	(269.90)	(305.70)
406.60	50.30	Proceeds/(Repayment) from current borrowings (net)	275.60	108.40
(0.80)	(15.90)	Dividend paid (including corporate dividend tax)	-	-
(199.70)	(140.90)	Interest paid	(178.10)	(118.60)
<b>277.80</b>	<b>140.50</b>	<b>Net cash generated from financing activities</b>	<b>143.40</b>	<b>236.80</b>
<b>(51.60)</b>	<b>4.00</b>	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>15.20</b>	<b>1.50</b>
<b>12.30</b>	<b>4.10</b>	<b>Effect of foreign currency fluctuation arising out of consolidation</b>	<b>-</b>	<b>-</b>
<b>118.30</b>	<b>248.90</b>	<b>Cash and cash equivalents at the beginning of the period</b>	<b>12.70</b>	<b>6.20</b>
<b>79.00</b>	<b>257.00</b>	<b>Cash and cash equivalents at the close of the period</b>	<b>27.90</b>	<b>7.70</b>

**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 6th November 2020. Further, the limited review of standalone and consolidated results have been completed by the statutory auditors of the Company.

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

3) The Consolidated Financial Results of the Company have been prepared in accordance with the Indian Accounting Standards (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").

4) Exceptional Items include expenditure incurred pursuant to Voluntary Retirement Scheme of the Company amounting to Rs.22.90 Millions (Rs. 24.10 Millions for the Group) for the quarter ended 30th September, 2020.

5) 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	(Rs in Millions)				
	Quarter ended			Half year ended	
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019
Net loss/(gain) on Foreign Currency transactions and translation on borrowings	2.30	2.90	0.10	5.20	0.10

6) The list of entities included in the consolidated financial results for the quarter ended 30th September, 2020 are as follows:

- i. Rico Auto Industries Inc. USA - Wholly Owned Subsidiary
- ii. Rico Auto Industries (UK) Limited - Wholly Owned Subsidiary
- iii. AAN Engineering Industries Limited - Wholly Owned Subsidiary
- iv. Rico Fluidtronics Limited - 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

7) The spread of Covid 19 has affected the business operations post the national lock down. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities.

Post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company has also performed sensitivity analysis on the assumptions used and does not foresee any significant incremental risk to the recoverability of its assets. In pursuant to the relaxed guidelines, the Company has now resumed its operations at all its plants. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

8) Contractual manpower cost in quarters ended 30 September, 2020, 30 September, 2019 and half year ended 30 September, 2020, 30 September, 2019 and year ended 31 March, 2020 amounting to Rs. 134.90 Millions, Rs. 115.90 Millions, Rs. 211.30 Millions, Rs. 228.10 Millions and Rs. 494.60 Millions respectively in standalone accounts have been regrouped from other manufacturing expenses to employees benefit expenses to provide more relevant information. Corresponding impact in consolidated financial statements were also made.

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

10) Results are available at Company's website [www.ricoauto.in](http://www.ricoauto.in) and at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**for RICO AUTO INDUSTRIES LIMITED**

**Arvind Kapur**  
**Chairman, CEO & Managing Director**  
**DIN : 00096308**

Place : Gurugram

Date : 6th November, 2020