

RAIL:SEC:2020

February 12, 2020

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001  Scrip. Code - <b>520008</b>	National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051  Scrip Code - <b>RICOAUTO</b>
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Sub : Outcome of Board Meeting held on 12<sup>th</sup> February, 2020

Dear Sir/Madam,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors have approved the following in the aforesaid meeting:

1. Unaudited Financial Results (Standalone & Consolidated) for the quarter and nine months ended 31<sup>st</sup> December, 2019 (copy enclosed).
2. Limited Review Report (Standalone & Consolidated) for the aforesaid quarter duly signed by the Auditors of the Company (copy enclosed).
3. The Company's newly set-up Plant situated at Plot No. SP3 800 & 801, Industrial Area Pathredi, Distt. Alwar - 301019, Rajasthan to manufacture and supply Auto Components to our esteemed customers, has started commercial production w.e.f. 1<sup>st</sup> January, 2020.

The Board Meeting commenced at 12.00 Noon and concluded at 3.40 PM.

Thanking you,

Yours faithfully,  
for Rico Auto Industries Limited



**B.M. Jhamb**  
Company Secretary  
FCS : 2446

Encl : As above



## 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 NINE MONTHS ENDED 31ST DECEMBER, 2019

(Rs. in Crores)

Particulars	Quarter ended			Nine Months ended		Year Ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	296.33	310.28	290.45	911.32	913.14	1,195.89
2 Other income	7.79	8.01	10.18	23.20	20.43	28.61
3 Total Revenue (1 + 2)	304.12	318.29	300.63	934.52	933.57	1,224.50
4 Expenses						
Cost of raw material and components consumed	187.43	199.06	199.20	587.88	604.95	806.08
Purchase of traded goods	1.50	1.69	2.12	4.72	5.97	7.77
Change in inventories of finished goods and work in progress	(3.72)	(3.15)	(8.25)	(5.43)	(7.14)	(22.69)
Other manufacturing and operating expenses	35.13	35.68	27.72	104.87	86.08	118.14
Employee benefits expense	30.61	30.47	26.60	89.17	78.09	105.46
Finance costs	6.95	5.85	4.68	19.00	15.29	23.14
Depreciation and amortisation	15.68	14.90	10.96	44.57	32.74	43.83
Other expenses	24.89	24.91	15.80	67.51	50.62	67.21
Total Expenses	298.47	309.41	278.83	912.29	866.60	1,148.94
5 Profit before exceptional items and tax (3 - 4)	5.65	8.88	21.80	22.23	66.97	75.56
6 Exceptional items [expense/(income)]	0.24	0.58	3.91	0.96	8.73	9.13
7 Profit before tax (5 - 6)	5.41	8.30	17.89	21.27	58.24	66.43
8 Tax expense:						
a) Current Tax	0.36	0.76	4.85	3.06	13.82	14.02
b) Deferred Tax	(2.51)	(0.03)	0.13	(3.19)	1.37	3.65
9 Profit for the period (7 - 8)	7.56	7.57	12.91	21.40	43.05	48.76
10 Other Comprehensive Income / (Loss) (Net of taxes)						
a (i) Items that will not be reclassified to profit or loss	0.42	(1.87)	(1.21)	(1.39)	(0.77)	(0.69)
a (ii) Income tax relating to items that will not be reclassified to profit or loss	0.48	0.02	0.41	0.48	0.26	0.24
b (i) Effective portion of Gain /(Loss ) on designated portion of hedging instruments in a cash flow hedge	(2.92)	(0.74)	-	(4.34)	-	-
b (ii) Income tax relating to items that will be reclassified to profit or loss	1.04	0.25	-	1.52	-	-
11 Total Comprehensive Income (9+10)	6.58	5.23	12.11	17.67	42.54	48.31
12 Paid up equity share capital (Face value of Re.1/- per share)	13.53	13.53	13.53	13.53	13.53	13.53
13 Basic and diluted earning per equity share [nominal value of share as on Dec 31, 2019 : Re.1/- (March 31, 2019 : Re.1/-)]	0.56*	0.56*	0.95*	1.58*	3.18*	3.60

\* Not annualised

RICO AUTO INDUSTRIES LIMITED

**CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019**

(Rs. in Crores)

Particulars	Quarter ended			Nine Months ended		Year Ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	342.38	362.66	334.54	1,070.36	1,044.89	1,392.65
2 Other income	5.94	4.81	4.29	14.16	11.13	19.41
3 Total Revenue (1 + 2)	348.32	367.47	338.83	1,084.52	1,056.02	1,412.06
4 Expenses						
Cost of raw material and components consumed	168.67	196.04	192.49	569.33	572.15	768.97
Change in inventories of finished goods and work in progress	3.77	(2.84)	(16.01)	2.40	(22.46)	(24.04)
Other manufacturing and operating expenses	62.42	65.24	60.41	191.40	189.53	253.33
Employee benefits expense	43.92	43.67	38.28	129.89	113.46	152.91
Finance costs	7.82	6.97	5.71	22.09	17.95	26.79
Depreciation and amortisation	20.73	19.85	14.49	59.62	43.11	57.70
Other expenses	30.70	30.45	22.88	85.66	73.64	97.83
Total Expenses	338.03	359.38	318.25	1,060.39	987.38	1,333.49
5 Share of profit of Joint Venture	-	-	0.58	-	2.16	3.16
6 Profit before extra-ordinary items and tax (3 - 4 + 5)	10.29	8.09	21.15	24.13	70.80	81.73
7 Exceptional items	0.35	1.81	4.00	2.41	9.10	9.60
8 Profit before tax (6 - 7)	9.94	6.28	17.15	21.72	61.70	72.13
9 Tax expense:						
a) Current Tax	2.27	3.90	5.80	7.15	16.73	16.92
b) Deferred Tax	(2.95)	(3.55)	0.46	(5.95)	0.79	4.18
10 Profit for the period (8 - 9)	10.62	5.93	10.89	20.52	44.18	51.03
11 Other Comprehensive Income / (Loss) (Net of taxes)						
a (i) Items that will not be reclassified to profit or loss	0.30	(0.99)	(0.01)	(1.20)	0.86	0.69
a (ii) Income tax relating to items that will not be reclassified to profit or loss*	0.42	(0.18)	(0.01)	0.42	(0.30)	(0.24)
b (i) Items that will be reclassified to profit or loss	1.18	0.00	(1.42)	1.18	1.50	0.45
b (ii) Effective portion of Gain / (Loss) on designated portion of hedging instruments in a cash flow hedge	(2.92)	(0.74)	-	(4.34)	-	-
b (iii) Income tax relating to items that will be reclassified to profit or loss	1.04	0.25	-	1.52	-	-
12 Total Comprehensive Income (10+11)	10.64	4.27	9.45	18.10	46.24	51.93
a. Net profit attributable to :						
(i) Owners of the company	10.75	5.92	10.80	20.68	43.96	50.52
(ii) Non-controlling interest	(0.13)	0.01	0.09	(0.16)	0.22	0.51
b. Other Comprehensive Income attributable to :						
(i) Owners of the company	0.03	(1.66)	(1.43)	(2.42)	2.06	0.90
(ii) Non-controlling interest	(0.01)	0.01	(0.01)	-	-	0.00
c. Total Comprehensive Income attributable to :						
(i) Owners of the company	10.78	4.26	9.37	18.26	46.02	51.42
(ii) Non-controlling interest	(0.14)	0.02	0.08	(0.16)	0.22	0.51
13 Net Profit for the year after non-controlling interest [10 - 12a(ii)]	10.75	5.92	10.80	20.68	43.96	50.52
14 Paid up equity share capital (Face value of Re.1/- per share)	13.53	13.53	13.53	13.53	13.53	13.53
15 Basic and diluted earning per equity share [nominal value of share as on Dec 31, 2019 : Re.1/- (March 31, 2019 : Re.1/-)]	0.78*	0.44*	0.80*	1.52*	3.27*	3.73

\* Not annualised

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**NOTES**

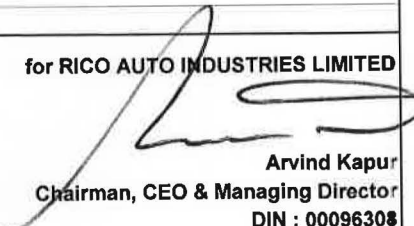
- 1) The above Financial Results were reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors in their meeting held on 12th February, 2020.
- 2) The Limited Review of the standalone and consolidated results has been completed by the Statutory Auditors 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) 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.0.65 Crores for the quarter ended 31st December, 2019.
- 6) Finance Cost of standalone results includes exchange difference arising from foreign currency short term borrowings regarded as an adjustment to interest cost as under:

(Rs. in Crores)

Particulars	Quarter Ended			Nine Months ended	
	31.12.2019	31.12.2018	30.09.2019	31.12.2019	31.12.2018
Net loss/(gain) on Foreign Currency transactions and translation on borrowings	0.27	(1.06)	0.01	0.29	-

- 7) The list of entities included in the consolidated financial results for the quarter ended 31st December, 2019 are as follows:
- Rico Auto Industries Inc. USA - Wholly Owned Subsidiary
  - Rico Auto Industries (UK) Limited - Wholly Owned Subsidiary
  - AAN Engineering Industries Limited - Wholly Owned Subsidiary
  - Rico Fluidtronics Limited (Formerly known as Magna Rico Powertrain Private Limited) - Subsidiary w.e.f. 29 March 2019, earlier joint venture
  - Rico Investments Limited - Subsidiary
  - Rico Jinfei Wheels Limited - Step-down Subsidiary
  - Rasa Autocom Limited - Step-down Subsidiary
  - Rico Aluminium and Ferrous Auto Components Limited - Step-down Subsidiary
- 8) The Company's newly set-up Plant situated at Plot No. SP3 800 & 801, Industrial Area Pathredi, Distt. Alwar-301019, Rajasthan to manufacture and supply Auto Components to our esteemed customers, has started commercial production w.e.f. 1 January 2020.
- 9) In view of reduction in Corporate Tax Rate to 22% (effective 25.17% including Surcharge and Education cess) as per Taxation laws (Amendment) Ordinance, 2019 issued on 20th September, 2019, the company has re-assessed Deferred tax liability @25.17% (as against 34.94% earlier). Accordingly considering the future years' estimates, The company expects to opt for the lower rate of tax in future periods, and reversal of provision for Deferred Tax liability of Rs. 3.19 Cr. has been done during current quarter of financial year 2019-20.
- 10) Previous quarter's amounts have been re-grouped/re-classified, wherever considered necessary to make them comparable with those of the current quarter.
- 11) 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 : New Delhi

Date : 12th February, 2020



# Walker Chandiook & Co LLP

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## **Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

### **To the Board of Directors of RICO Auto Industries Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of RICO Auto Industries Limited ('the Company') for the quarter ended 31 December 2019 and the year to date results for the period 1 April 2019 to 31 December 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)**

4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

*Arun Tandon*

**Arun Tandon**

Partner

Membership No. 517273



**UDIN No.:** 20517273AAAAAV6471

**Place:** New Delhi

**Date:** 12 February 2020

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
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## **Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

### **To the Board of Directors of RICO Auto Industries Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of RICO Auto Industries Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 31 December 2019, and the consolidated year to date results for the period 1 April 2019 to 31 December 2019, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as the SEBI Circular), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)**

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the presentation requirement of the SEBI Circular(s) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial results of 4 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 232.47 crores as at 31 December 2019, total revenues of ₹ 47.45 crores and ₹ 152.61 crores, total net loss after tax of ₹ 1.06 crores and ₹ 5.65 crores, total comprehensive loss of ₹ 0.23 crores and ₹ 5.12 crores, for the quarter and year-to-date nine month period ended on 31 December 2019, respectively, as considered in the financial results of the entities included in the Group. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of these matters.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013

*Arun Tandon*

**Arun Tandon**  
Partner  
Membership No. 517273



UDIN: 20517273AAAAAW7511

Place: New Delhi  
Date: 12 February 2020



**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)**

**Annexure 1**

**List of entities included in the Statement**

**S No. Name of the Holding Company**

1 RICO Auto Industries Limited

**Name of the subsidiaries**

1 RICO Auto Industries Inc. (USA)

2 RICO Fluidtronics Limited (formerly "Magna Rico Powertrain Private Limited")

3 RICO Auto Industries (UK) Limited

4 AAN Engineering Industries Limited

5 RICO Investments Limited

6 RICO Aluminium and Ferrous Auto Components Limited

7 Rasa Autocom Limited

8 RICO Jinfei Wheels Limited

