

RAIL:SEC:2017

December 02, 2017

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001 Scrip Code - 520008	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E) Mumbai - 400 051 Scrip Code - RICOAUTO
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Sub : Outcome of Board Meeting held on 2nd December, 2017

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 for the quarter and half year ended 30th September, 2017 (copy enclosed).
2. Limited Review Report for the aforesaid quarter duly signed by the Auditors of the Company.

The Board Meeting commenced at 12.30 PM and concluded at 4.00 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 HALF YEAR ENDED 30TH SEPTEMBER, 2017**

(Rs. in Crores)

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)	270.68	262.86	268.75	533.54	532.73
2 Other income	6.51	7.41	4.67	13.92	11.53
3 Total Revenue (1 + 2)	277.19	270.27	273.42	547.46	544.26
4 Expenses					
Cost of raw material and components consumed	172.93	156.44	161.40	329.37	322.35
Purchase of traded goods	4.97	6.05	4.18	11.02	9.41
Change in inventories of finished goods and work in progress	0.53	(2.70)	(0.37)	(2.17)	(6.13)
Excise Duty on sales	-	17.45	17.31	17.45	33.99
Employee benefits expense	25.02	23.75	22.70	48.77	45.84
Finance costs	4.45	3.46	3.56	7.91	8.72
Depreciation and amortisation	10.01	9.97	8.78	19.98	17.88
Other expenses	39.86	40.21	35.07	80.07	71.73
Total Expenses	257.77	254.63	252.63	512.40	503.79
5 Profit before exceptional items and tax (3 - 4)	19.42	15.64	20.79	35.06	40.47
6 Exceptional items [expense/(income)]	1.75	0.43	0.06	2.18	0.44
7 Profit before tax	17.67	15.21	20.73	32.88	40.03
8 Tax expense:					
a) Current Tax	5.83	4.17	5.51	10.00	10.15
b) Deferred Tax	(0.75)	(0.29)	(0.13)	(1.04)	(0.46)
9 Profit for the year (7 - 8)	12.59	11.33	15.35	23.92	30.34
10 Other Comprehensive Income / (Loss)					
a (i) Items that will not be reclassified to profit or loss	0.59	(0.77)	(0.73)	(0.18)	(0.70)
a (ii) Income tax relating to items that will not be reclassified to profit or loss	(0.21)	0.27	0.25	0.06	0.24
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)	12.97	10.83	14.87	23.80	29.88
12 Paid up equity share capital (Face value of Re. 1/- per share)	13.53	13.53	13.53	13.53	13.53
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 Crores)				
S.No.	Description	Quarter Ended		Half Year Ended
		30-09-2016		30-09-2016
1	Net Profit as per Previous Indian GAAP	13.57		27.64
2	Measurement of Current investment at MTM	0.08		0.14
3	EIR adjustments	1.75		3.08
4	Adjustment for recording actuarial (gains)/losses in OCI	0.73		0.70
5	Adjustment of Prior period Items	0.09		0.14
6	Others*	0.00		0.00
7	Deferred tax impact of above adjustments	(0.87)		(1.36)
8	Net Profit as per IndAS	15.35		30.34
9	Other Comprehensive Income (Net of Tax)	(0.48)		(0.46)
10	Total Comprehensive Income (8+9)	14.87		29.88

* Amounts have been rounded off to zero

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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 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.1.75 Crore for the quarter ended 30th September, 2017 (Rs 2.18 Crore 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	0.32	0.16	(0.84)	0.48	0.89

8) In the consolidated results, export sales of Rs. 102.17 crores 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.128.29 crores 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)	270.68	262.86	268.75	533.54	532.73
Excise Duty on sales	-	17.45	17.31	17.45	33.99
Revenue from operations (net of excise duty)	270.68	245.41	251.44	516.09	498.74

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.

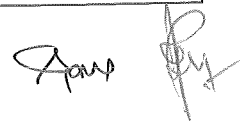
12) Previous quarter's amounts have been re-grouped/re-classified, wherever considered necessary to make them comparable with those of the current quarter.

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 Crores)

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)	299.99	293.82	291.02	593.81	571.90
2 Other income	4.49	4.81	2.07	9.30	6.44
3 Total Revenue (1 + 2)	304.48	298.63	293.09	603.11	578.34
4 Expenses					
Cost of raw material and components consumed	153.15	135.90	132.12	289.05	262.56
Purchase of traded goods	-	-	0.66	-	1.80
Change in inventories of finished goods and work in progress	2.18	0.25	(0.83)	2.43	(6.38)
Excise Duty	-	20.32	20.23	20.32	39.29
Employee benefits expense	36.15	34.65	33.91	70.80	67.79
Finance costs	4.90	3.67	3.46	8.57	8.94
Depreciation and amortisation	13.29	13.11	11.31	26.40	22.76
Other expenses	75.81	73.82	69.58	149.63	139.45
Total Expenses	285.48	281.72	270.44	567.20	536.21
5 Share of profit / (loss) of Joint Venture	(0.25)	1.87	1.41	1.62	2.41
6 Profit before extra-ordinary items and tax (3 - 4 + 5)	18.75	18.78	24.06	37.53	44.54
7 Exceptional items [expense/(income)]	1.77	0.83	0.09	2.60	0.57
8 Profit before tax	16.98	17.95	23.97	34.93	43.97
9 Tax expense:					
a) Current Tax	6.25	4.39	6.24	10.64	11.40
b) Deferred Tax	(1.28)	(0.43)	(1.42)	(1.71)	(2.37)
10 Profit for the year (8 - 9)	12.01	13.99	19.15	26.00	34.94
11 Minority Interest	0.07	(0.06)	0.32	0.01	0.28
12 Net Profit for the year after minority interest	11.94	14.05	18.83	25.99	34.66
13 Other Comprehensive Income / (Loss) (Net of taxes)					
a (i) Items that will not be reclassified to profit or loss	3.34	(1.05)	(1.20)	2.29	(1.23)
a (ii) Income tax relating to items that will not be reclassified to profit or loss*	(0.36)	0.36	0.27	(0.00)	0.28
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)	14.92	13.36	17.90	28.28	33.71
15 Paid up equity share capital (Face value of Re.1/- per share)	13.53	13.53	13.53	13.53	13.53
16 Basic and diluted earning per equity share [nominal value of share September 30, 2017 : Re.1/- (March 31, 2017 : Re. 1/-)]	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 and half year ended 30th September, 2016 are as follows:

S.No.	Description	Quarter Ended	Half Year Ended
		30-09-2016	30-09-2016
1	Net Profit as per Previous Indian GAAP	17.01	32.59
2	Measurement of Current investment at MTM	0.17	0.31
3	EIR adjustments	0.39	0.23
4	Adjustment for recording actuarial (gains)/losses in OCI	0.77	0.80
5	Adjustment of Prior period Items	0.09	0.15
6	Others*	0.00	0.00
7	Deferred tax impact of adjustments	0.40	0.58
8	Net Profit as per IndAS	18.83	34.66
9	Other Comprehensive Income (Net of Tax)	(0.93)	(0.95)
10	Total Comprehensive Income (8+9)	17.90	33.71

* Amounts have been rounded off to zero

2) Consequent to introduction of Goods and Service Tax (GST) with effect from 1st July, 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)	299.99	293.82	291.02	593.81	571.90
Excise Duty on sales	-	20.32	20.23	20.32	39.29
Revenue from operations (net of excise duty)	299.99	273.50	270.79	573.49	532.61

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(Rs. in Crores)

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	
428.23	(a) Property, plant and equipment	323.87
-	(b) Other intangible assets	-
64.87	(c) Capital work-in-progress	58.04
	(d) Financial Assets	
21.87	(i) Investments	136.87
72.59	(ii) Loans	79.47
0.04	(iii) Other financial assets	0.04
18.97	(e) Other non-current assets	8.00
606.57		606.29
	(2) CURRENT ASSETS	
125.62	(a) Inventories	50.97
	(b) Financial Assets	
2.56	(i) Current Investments	2.56
227.25	(ii) Trade Receivable	229.87
1.79	(iii) Cash and Bank balance	0.57
7.87	(iv) Bank balances other than (iii) above	7.32
0.30	(v) Loans	0.18
8.29	(vi) Other financial assets	4.97
65.61	(c) Other Current Assets	52.30
439.29		348.74
1,045.86	TOTAL	955.03
	(1) EQUITY AND LIABILITIES	
13.53	(a) Equity Share Capital	13.53
521.70	(b) Other Equity	511.74
535.23	Equity attributable to owners of the Company	525.27
4.37	Non-controlling interests	-
539.60	Total Equity	525.27
	(2) NON-CURRENT LIABILITIES	
	(a) Financial Liabilities	
62.27	(i) Borrowings	52.85
20.98	(b) Provisions	12.75
8.46	(c) Deferred tax liabilities (net)	16.71
1.98	(d) Other non-current liabilities	1.76
93.69	Total non-current liabilities	84.07
	(3) CURRENT LIABILITIES	
	(a) Financial Liabilities	
131.53	(i) Borrowings	127.15
166.73	(ii) Trade Payables	120.33
87.94	(iii) Other financial liabilities	78.99
19.08	(b) Other current liabilities	14.37
0.27	(c) Provisions	-
7.02	(d) Current tax liabilities (net)	4.85
412.57		345.69
1,045.86	TOTAL	955.03

As per

Walker Chandiook & Co LLP

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

To the Board of Directors of Rico Auto Industries Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Rico Auto Industries Limited ("the Company") for the quarter ended 30 September 2017 and the year to date results for the period 1 April 2017 to 30 September 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 30 September 2016 and year to date results for the period 1 April 2016 to 30 September 2016, including the reconciliation of net profit under Ind AS of the corresponding quarter and year to date results with net profit reported under previous GAAP, as included in the Statement have been approved by the Board of Directors but have not been subject to limited review or audit. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta

per Ashish Gupta

Partner

Membership No. 504662

Place: Gurugram

Date: 2 December 2017



Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Consolidated Quarterly Financial Results and Year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Rico Auto Industries Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of Rico Auto Industries Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), and its joint venture (Refer Annexure 1 for the list of subsidiaries and joint venture included in the Statement) for the quarter ended 30 September 2017 and year to date results for the period 1 April 2017 to 30 September 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 September 2016 and year to date results for the period 1 April 2016 to 30 September 2016, including the reconciliation of net profit under Indian Accounting Standards (Ind AS) of the corresponding quarter and year to date results with net profit reported under previous GAAP, as included in the Statement have been approved by the Board of Directors but have not been subject to limited review or audit. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above and upon consideration of the review reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Walker Chandiook & Co LLP

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

4. We did not review the financial results of five subsidiaries included in the Statement whose financial results reflect total revenues of ₹ 82.13 Crores and ₹ 169.91 Crores for the quarter and six months ended 30 September 2017 respectively, net profit (including other comprehensive income) of ₹ 0.47 Crores and ₹ 0.09 Crores for the quarter and six months ended 30 September 2017 respectively, total assets of ₹ 260.10 Crores as at 30 September 2017 and net assets of ₹ 149.85 Crores as at 30 September 2017. The Statement also includes the Group's share of net (loss)/profit (including other comprehensive income) of ₹ (0.26) Crores and ₹ 1.62 Crores for the quarter and six months ended 30 September 2017 respectively as considered in the Statement, in respect of 1 joint venture, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose review reports have been furnished to us by the management and our report in respect thereof is based solely on the review reports of such other auditors.

Further, of these subsidiaries and joint venture, one subsidiary is located outside India whose financial results has been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial results of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our report in so far as it relates to the financial results of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and reviewed by us.

Our review report is not modified in respect of this matter.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta

per Ashish Gupta

Partner

Membership No. 504662



Place: Gurugram

Date: 2 December 2017