

**RICO AUTO INDUSTRIES LIMITED**

REGD. & CORP. OFFICE : 38 K.M. STONE, DELHI-JAIPUR HIGHWAY, GURUGRAM -122001, HARYANA (INDIA)  
EMAIL : rico@ricoauto.in WEBSITE : www.ricoauto.in TEL.: +91 124 2824000 FAX : +91 124 2824200  
CIN : L34300HR1983PLC023187

RAIL:SEC:2019

August 02, 2019

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 2<sup>nd</sup> August, 2019**

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 first quarter ended 30<sup>th</sup> June, 2019 (copy enclosed).
2. Limited Review Report (Standalone & Consolidated) for the aforesaid quarter duly signed by the Auditors of the Company.
3. The following existing Independent Directors are being re-appointed for second term of 5 (five) consecutive years w.e.f. 30<sup>th</sup> September, 2019 in the ensuing Annual General Meeting (Brief Profile of Independent Directors is enclosed):
  1. Shri Kanwal Monga
  2. Shri Amarjit Chopra
  3. Dr. Ashok Seth
  4. Shri Satish Sekhri
  5. Shri Rajeev Kapoor
  6. Shri Vinod Kumar Nagar
4. The Board has re-appointed Shri Arvind Kapur as Managing Director for a further period of five years commencing from 17/12/2019 to 16/12/2024 and Postal Ballot is being sent for seeking the shareholders approval (Brief Profile of Managing Director is enclosed).

The Board Meeting commenced at 12.30 PM and concluded at 4.30 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 ENDED 30TH JUNE, 2019

(Rs. in Crores)

Particulars	Quarter ended			Year ended
	30.06.2019	30.06.2018	31.03.2019	31.03.2019
	Unaudited	Unaudited	Audited (Refer note 10)	Audited
1 Revenue from operations (gross) (refer note 8a)	304.71	306.58	282.75	1,195.89
2 Other income	7.40	5.31	8.18	28.61
3 Total Revenue (1 + 2)	312.11	311.89	290.93	1,224.50
4 Expenses				
Cost of raw material and components consumed	201.39	205.10	201.13	806.08
Purchase of traded goods	1.53	1.54	1.80	7.77
Change in inventories of finished goods and work in progress	1.44	(5.06)	(15.55)	(22.69)
Other manufacturing expenses	34.06	28.30	32.06	118.14
Employee benefits expense	28.09	26.91	27.37	105.46
Finance costs	6.20	4.93	7.85	23.14
Depreciation and amortisation	13.99	10.71	11.09	43.83
Other expenses	17.71	16.67	16.59	67.21
Total Expenses	304.41	289.10	282.34	1,148.94
5 Profit before exceptional items and tax (3 - 4)	7.70	22.79	8.59	75.56
6 Exceptional items [expense/(income)]	0.14	4.69	0.40	9.13
7 Profit before tax (5 - 6)	7.56	18.10	8.19	66.43
8 Tax expense:				
a) Current Tax	-	4.05	0.20	14.02
b) Deferred Tax	1.29	0.48	2.28	3.65
9 Profit for the year (7 - 8)	6.27	13.57	5.71	48.76
10 Other Comprehensive Income / (Loss) (Net of taxes)				
a (i) Items that will not be reclassified to profit or loss	0.06	0.24	0.08	(0.69)
a (ii) Income tax relating to items that will not be reclassified to profit or loss	(0.02)	(0.08)	(0.02)	0.24
b (i) Items that will be reclassified to profit or loss	-	-	-	-
b (ii) Effective portion of Gain (Loss) on designated portion of hedging instruments in a cash flow hedge	(0.68)			
b (iii) Income tax relating to items that will be reclassified to profit or loss	0.23	-	-	-
11 Total Comprehensive Income (9+10)	5.86	13.73	5.77	48.31
12 Paid up equity share capital (Face value of Re.1/- per share)	13.53	13.53	13.53	13.53
13 Basic and diluted earning per equity share [nominal value of share as on June 30, 2019 : Re.1/- (March 31, 2019 : Re.1/-)]	0.46*	1.00*	0.42*	3.60

\* Not annualised




**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 August, 2019.

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.0.14 Crores for the quarter ended 30th June, 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:

Particulars	Quarter Ended			Year Ended	
	30.06.2019	30.06.2018	31.03.2019	31.03.2019	31.03.2018
Net loss/(gain) on Foreign Currency transactions and translation on borrowings	-	0.32	1.30	1.30	0.40

7) The list of entities included in the consolidated financial results for the quarter ended 30th June, 2019 are as follows:

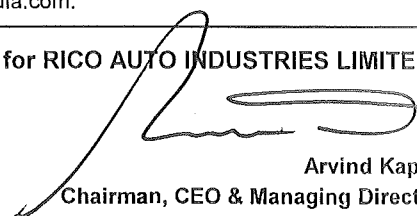
- i. Rico Auto Industries Inc. USA - Wholly Owned Subsidiary
- ii. Rico Auto Industries (UK) Limited - Wholly Owned Subsidiary
- iii. AAN Engineering Industries Limited - Wholly Owned Subsidiary
- iv. Rico Fluidtronics Limited (Formerly known as Magna Rico Powertrain Private Limited - JV till 29th March, 2019) - 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

8) The Company has adopted Ind AS 116 "Leases" effective 1 April 2019, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the profit of the current quarter.

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 : 02nd August, 2019



**RICO AUTO INDUSTRIES LIMITED**

**CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 30TH JUNE, 2019**

(Rs. in Crores)

Particulars	Quarter ended			Year ended
	30.06.2019	30.06.2018	31.03.2019	31.03.2019
	Unaudited	Unaudited	Audited (Refer note 10)	Audited
1 Revenue from operations (gross) (refer note 8b)	365.32	349.14	347.76	1,392.65
2 Other income	3.41	3.81	8.28	19.41
3 Total Revenue (1 + 2)	368.73	352.95	356.04	1,412.06
4 Expenses				
Cost of raw material and components consumed	204.62	197.38	196.82	768.97
Change in inventories of finished goods and work in progress	1.47	(13.51)	(1.58)	(24.04)
Other manufacturing expense	63.74	62.75	63.80	253.33
Employee benefits expense	42.30	38.97	39.45	152.91
Finance costs	7.30	5.58	8.84	26.79
Depreciation and amortisation	19.04	14.08	14.59	57.70
Other expenses	24.52	24.01	24.19	97.83
Total Expenses	362.99	329.26	346.11	1,333.49
5 Share of profit of Joint Venture	-	0.76	1.00	3.16
6 Profit before extra-ordinary items and tax (3 - 4 + 5)	5.74	24.45	10.93	81.73
7 Exceptional items	0.25	4.83	0.50	9.60
8 Profit before tax (6 - 7)	5.49	19.62	10.43	72.13
9 Tax expense:	-	-	-	-
a) Current Tax	0.98	5.05	0.19	16.92
b) Deferred Tax	0.55	(0.64)	3.39	4.18
10 Profit for the year (8 - 9)	3.96	15.21	6.85	51.03
11 Other Comprehensive Income / (Loss) (Net of taxes)				
a (i) Items that will not be reclassified to profit or loss	(0.51)	0.61	(0.17)	0.69
a (ii) Income tax relating to items that will not be reclassified to profit or loss*	0.18	(0.21)	0.06	(0.24)
b (i) Items that will be reclassified to profit or loss	(0.00)	1.02	(1.05)	0.45
b (ii) Effective portion of Gain (Loss ) on designated portion of hedging instruments in a cash flow hedge	(0.68)	-	-	-
b (iii) Income tax relating to items that will be reclassified to profit or loss	0.23	-	-	-
12 Total Comprehensive Income (10+11)	3.18	16.63	5.69	51.93
a. Net profit attributable to :				
(i) Owners of the company	4.00	15.24	6.56	50.52
(ii) Non-controlling interest	(0.04)	(0.03)	0.29	0.51
[nominal value of share as on March 31, 2019 : Re.1/- (March 31, 2018 : Re.1/-)]				
(i) Owners of the company	(0.78)	1.42	(1.16)	0.90
(ii) Non-controlling interest	-	(0.00)	0.00	0.00
c. Total Comprehensive Income attributable to :				
(i) Owners of the company	3.22	16.66	5.40	51.42
(ii) Non-controlling interest	(0.04)	(0.03)	0.29	0.51
13 Net Profit for the year after non-controlling interest [10 - 12a(ii)]	4.00	15.24	6.56	50.52
14 Paid up equity share capital (Face value of Re.1/- per share)	13.53	13.53	13.53	13.53
15 Basic and diluted earning per equity share	0.30*	1.13*	0.49*	3.73
[nominal value of share as on June 30, 2019 : Re.1/- (March 31, 2019 : Re.1/-)]				

\* Not annualised



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## Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial 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 30 June 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.



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Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

# Walker ChandioK & Co LLP

## 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 ChandioK & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

*Arun Tandon*

**Arun Tandon**

Partner

Membership No. 517273

UDIN No.: 19517273 **AAAAAR6259**

**Place:** Gurugram

**Date:** 02 August 2019



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## Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial 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 30 June 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'), 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.

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



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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

(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

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, 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.
5. We did not review the interim financial results of 4 subsidiaries included in the Statement, whose financial information reflects total revenues of ₹ 54.78 crores, total net loss after tax of ₹ 2.09 crores, total comprehensive loss of ₹ 2.43 crores for the quarter ended on 30 June 2019, as considered in the financial results of the entities included in the Group. These financial results have been reviewed by other auditors whose review reports have been furnished to us by the other auditors at the request of 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 this matter.

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

*Arun Tandon*

**Arun Tandon**  
Partner  
Membership No. 517273



UDIN No.: 19517273AAAAA@1156

Place: Gurugram  
Date: 02 August 2019



## Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial 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



## Brief Profile of Independent Directors

### Shri Kanwal Monga

Shri Kanwal Monga, born on 9<sup>th</sup> March, 1945. He is B.Sc. and has vast experience of 54 years as Advisor to the domestic as well as to the international renowned Companies.

### Shri Amarjit Chopra

Shri Amarjit Chopra, born on 27<sup>th</sup> June, 1952. He is M.Com and a fellow member of the Institute of Chartered Accountants of India (ICAI). He has vast experience of 44 years in the field of Accounting, Auditing, Taxation, Corporate Laws, Banking and Finance.

### Dr. Ashok Seth

Dr. Ashok Seth, Padma Bhushan, Padma Shri and B.C. Roy National Awardee, born on 25<sup>th</sup> October, 1954. Dr. Seth is FRCP (London, Edinburg, Ireland), FACC, FSCAI (USA), FIMSA, D.Sc. (Honoris Causa), D.Litt (Honoris Causa). He is Chairman of Fortis Escorts Heart Institute, New Delhi, India. Earlier he was Chairman of the Max Heart & Vascular Institute, New Delhi, India.

### Shri Satish Sekhri

Shri Satish Sekhri, born on 28<sup>th</sup> March, 1950. He is B.E. (Mech.), Delhi College of Engineering, 1971 (First Class with Distinction) & MBA, Chandigarh, 1973 (First Class First in University, Gold Medalist). He has vast experience of 44 years in the field of Automotive Industry.

### Shri Rajeev Kapoor

Shri Rajeev Kapoor, born on 28<sup>th</sup> August, 1952. He is B.E. Mechanical Engineering (with Hons.) from REC, Kurukshetra. He has vast experience of about 42 years in the field of Automotive, Engineering and FMCG corporations with specific skills in Manufacturing Management, Marketing/Brand Management, Performance Analysis and HRD.

### Shri Vinod Kumar Nagar

Shri Vinod Kumar Nagar, born on 24<sup>th</sup> July, 1951. He is a B-Text (Punjab University), MBA (Faculty of Management Studies, Delhi) and also PGDMM (YMCA Institute of Management, New Delhi). He has vast experience of about 33 years in the field of Banking.

## Brief Profile of Shri Arvind Kapur, Chairman, CEO & Managing Director

Shri Arvind Kapur, born on 5<sup>th</sup> July, 1950 is a Science Graduate from St. Stephen's College, University of Delhi and has done President Management Program from Harvard Business School, USA. He is the co-promoter of the Company.

Shri Arvind Kapur has an enriched and vast experience of more than 40 years in the automotive industry to his credit and has been instrumental in the growth of the Company.



*Bejucha*