

**AIA ENGINEERING LIMITED**

Regd. Office.: 115, GVMM Estate, Odhav Road, Ahmedabad 382 410; CIN: L29259GJ1991PLC015182
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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

(₹ in lakhs)

| Sr. No. | Particulars | Quarter ended | | | Nine Months ended | | Year ended |
|-----------|---|------------------|------------------|------------------|-------------------|-------------------|-------------------|
| | | 31-Dec-2019 | 30-Sep-2019 | 31-Dec-2018 | 31-Dec-2019 | 31-Dec-2018 | 31-Mar-2019 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Income | | | | | | |
| | Revenue from operations | 62,623.45 | 60,388.61 | 67,043.07 | 181,275.62 | 202,244.37 | 273,716.71 |
| | Other operating revenue | 2,317.80 | 2,024.45 | 2,599.14 | 6,294.42 | 7,507.90 | 10,041.79 |
| | a) Total revenue from operations | 64,941.25 | 62,413.06 | 69,642.21 | 187,570.04 | 209,752.27 | 283,758.50 |
| | b) Other income | 3,913.53 | 11,306.78 | 3,292.85 | 18,512.21 | 9,392.10 | 11,621.58 |
| | Total income (a+b) | 68,854.78 | 73,719.84 | 72,935.06 | 206,082.25 | 219,144.37 | 295,380.08 |
| 2 | Expenses | | | | | | |
| | a) Cost of materials consumed | 24,919.20 | 22,920.27 | 32,254.49 | 74,879.04 | 92,005.03 | 124,090.64 |
| | b) Purchase of stock-in-trade | 2,765.15 | 2,922.45 | 5,163.88 | 8,827.74 | 17,778.65 | 23,908.16 |
| | c) Changes in inventories of finished goods and work-in-progress | (210.27) | 2,641.09 | (3,946.65) | 265.89 | (7,997.41) | (8,846.77) |
| | d) Employee benefits expense | 2,475.26 | 2,505.19 | 2,267.67 | 7,350.83 | 6,729.25 | 9,089.14 |
| | e) Finance costs | 118.73 | 138.67 | 191.80 | 391.94 | 523.35 | 719.05 |
| | f) Depreciation and amortisation expense | 2,458.82 | 2,151.43 | 2,127.06 | 6,925.46 | 5,536.34 | 7,769.59 |
| | g) Other expenses | 19,274.77 | 17,409.68 | 20,499.45 | 54,884.72 | 57,889.17 | 78,458.86 |
| | Total expenses (a+b+c+d+e+f+g) | 51,801.66 | 50,688.78 | 58,557.70 | 153,525.62 | 172,464.38 | 235,188.67 |
| 3 | Profit before tax (1-2) | 17,053.12 | 23,031.06 | 14,377.36 | 52,556.63 | 46,679.99 | 60,191.41 |
| 4 | Tax expense | | | | | | |
| | (i) Current tax | 3,891.25 | 2,304.75 | 3,404.25 | 10,046.25 | 13,953.00 | 17,210.87 |
| | (ii) Excess provision for tax of earlier periods written back | - | - | - | - | - | (247.56) |
| | (iii) Deferred tax | (165.13) | (1,876.46) | 704.34 | (1,759.99) | 1,051.00 | 1,745.93 |
| | Total tax expense (i+ii+iii) | 3,726.12 | 428.29 | 4,108.59 | 8,286.26 | 15,004.00 | 18,709.24 |
| 5 | Profit for the period (3-4) | 13,327.00 | 22,602.77 | 10,268.77 | 44,270.37 | 31,675.99 | 41,482.17 |
| 6 | Other comprehensive income / (loss): | | | | | | |
| | (i) Items that will not be reclassified to statement of profit and loss | (101.91) | (207.33) | 15.00 | (306.00) | 45.00 | (13.02) |
| | (ii) Income tax relating to items that will not be reclassified to statement of profit and loss | - | - | - | - | - | - |
| | (iii) Items that will be reclassified to statement of profit and loss | 370.12 | 131.64 | (1,271.69) | 173.51 | (143.51) | 166.25 |
| | (iv) Income tax relating to items that will be reclassified to statement of profit and loss | (93.15) | 32.20 | 688.27 | 53.75 | 294.04 | (58.07) |
| 7 | Total other comprehensive income / (loss) (net of tax) | 175.06 | (43.49) | (568.42) | (78.74) | 195.53 | 95.16 |
| 8 | Total comprehensive income for the period (5+7) | 13,502.06 | 22,559.28 | 9,700.35 | 44,191.63 | 31,871.52 | 41,577.33 |
| 9 | Paid-up equity share capital - face value of ₹ 2 each | 1,886.41 | 1,886.41 | 1,886.41 | 1,886.41 | 1,886.41 | 1,886.41 |
| 10 | Other equity | - | - | - | - | - | 315,718.20 |
| 11 | Earnings per equity share (EPS) in ₹ (not annualised) | | | | | | |
| | Basic | 14.13 | 23.96 | 10.89 | 46.94 | 33.58 | 43.98 |
| | Diluted | 14.13 | 23.96 | 10.89 | 46.94 | 33.58 | 43.98 |

Notes :

- The above unaudited standalone financial results for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 31 January 2020. These unaudited standalone financial results are subjected to "Limited Review" by the statutory auditors of the Company. The statutory auditors have expressed an unmodified conclusion.
- The unaudited standalone financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016.
- Effective 1 April 2019, the Company has adopted Ind AS 116 by using modified retrospective approach. On account of such adoption of the new standard, the Company has recognised right of use asset and a corresponding lease liability. The adoption of the standard did not have any material impact on the profit of the Company.
- The Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded / remeasured using the new tax rate and the resultant impact is recognised in the previous quarter's financial results. Pursuant to the selection of this option, the Company has reversed deferred tax liabilities amounting to ₹ 2,066.17 lakhs due to reduction in corporate tax rate during previous quarter.
- The Company has only one reportable primary business segment as per IND AS 108 - "Operating Segments", i.e., Manufacturing of High Chrome Mill Internals.
- Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.

**By Order of Board of Directors
For AIA Engineering Limited**

Place: Ahmedabad
Date: 31 January 2020

**(Bhadresh K. Shah)
Managing Director
DIN:00058177**

**AIA ENGINEERING LIMITED**

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

(₹ in lakhs)

| Sr. No. | Particulars | Quarter ended | | | Nine Months ended | | Year ended |
|-----------|---|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| | | 31-Dec-19 | 30-Sep-19 | 31-Dec-18 | 31-Dec-19 | 31-Dec-18 | 31-Mar-19 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Income | | | | | | |
| | Revenue from operations | 67,090.99 | 67,634.56 | 70,020.68 | 206,099.91 | 210,642.87 | 296,743.46 |
| | Other operating revenue | 2,317.80 | 2,024.45 | 2,623.01 | 6,294.42 | 7,585.05 | 10,041.79 |
| | a) Total revenue from operations | 69,408.79 | 69,659.01 | 72,643.69 | 212,394.33 | 218,227.92 | 306,785.25 |
| | b) Other income | 4,597.99 | 2,807.95 | 2,892.36 | 11,269.58 | 9,728.52 | 12,254.03 |
| | Total Income (a+b) | 74,006.78 | 72,466.96 | 75,536.05 | 223,663.91 | 227,956.44 | 319,039.28 |
| 2 | Expenses | | | | | | |
| | a) Cost of materials consumed | 26,903.47 | 24,819.91 | 36,615.50 | 82,090.96 | 105,490.94 | 141,811.86 |
| | b) Changes in inventories of finished goods and work-in-progress | (3,585.34) | 2,981.72 | (11,269.93) | (2,298.37) | (20,723.75) | (19,265.08) |
| | c) Employee benefits expense | 3,367.22 | 3,429.69 | 3,225.89 | 10,002.40 | 9,405.64 | 12,639.13 |
| | d) Finance costs | 126.95 | 152.45 | 203.47 | 422.38 | 557.18 | 754.71 |
| | e) Depreciation and amortisation expense | 2,519.15 | 2,221.35 | 2,158.66 | 7,102.72 | 5,618.65 | 7,884.57 |
| | f) Other expenses | 25,437.67 | 23,021.67 | 27,549.02 | 73,046.05 | 77,192.79 | 105,774.08 |
| | Total expenses (a+b+c+d+e+f) | 54,769.12 | 56,626.79 | 58,482.61 | 170,366.14 | 177,541.45 | 249,599.27 |
| 3 | Profit before tax (1-2) | 19,237.66 | 15,840.17 | 17,053.44 | 53,297.77 | 50,414.99 | 69,440.01 |
| 4 | Tax expense | | | | | | |
| | (i) Current tax | 3,923.06 | 2,360.67 | 3,459.21 | 10,144.49 | 14,098.67 | 17,368.94 |
| | (ii) Excess provision for tax of earlier periods written back | (5.27) | - | (4.98) | (5.27) | (4.98) | (252.54) |
| | (iii) Deferred tax | (316.09) | (1,719.80) | 676.77 | (1,631.24) | 766.85 | 1,179.84 |
| | Total tax expense (i+ii+iii) | 3,601.70 | 640.87 | 4,131.00 | 8,507.98 | 14,860.54 | 18,296.24 |
| 5 | Profit for the period (3-4) | 15,635.96 | 15,199.30 | 12,922.44 | 44,789.79 | 35,554.45 | 51,143.77 |
| 6 | Other comprehensive income / (loss): | | | | | | |
| | (i) Items that will not be reclassified to statement of profit and loss | (100.60) | (206.01) | 12.69 | (302.06) | 40.83 | (8.02) |
| | (ii) Income tax relating to items that will not be reclassified to statement of profit and loss | (0.12) | (0.44) | 1.38 | (0.99) | 1.38 | (1.39) |
| | (iii) Items that will be reclassified to statement of profit and loss | (850.29) | 350.31 | (4,557.41) | (2,227.44) | (2,325.99) | (585.82) |
| | (iv) Income tax relating to items that will be reclassified to statement of profit and loss | (93.15) | 32.20 | 688.27 | 53.75 | 294.04 | (58.07) |
| 7 | Total other comprehensive income / (loss) (net of tax) | (1,044.16) | 176.06 | (3,855.07) | (2,476.74) | (1,989.74) | (653.30) |
| 8 | Total comprehensive income for the period (5+7) | 14,591.80 | 15,375.36 | 9,067.37 | 42,313.05 | 33,564.71 | 50,490.47 |
| 9 | Net profit / (loss) attributable to: | | | | | | |
| | a) Owners of the Company | 15,609.04 | 15,224.26 | 12,895.51 | 44,873.25 | 35,502.17 | 51,083.05 |
| | b) Non-Controlling Interest | 26.92 | (24.96) | 26.93 | (83.46) | 52.28 | 60.72 |
| 10 | Other comprehensive income / (loss) attributable to: | | | | | | |
| | a) Owners of the Company | (1,044.46) | 175.84 | (3,854.84) | (2,477.48) | (1,989.04) | (654.21) |
| | b) Non-Controlling Interest | 0.30 | 0.22 | (0.23) | 0.74 | (0.70) | 0.91 |
| 11 | Total comprehensive income / (loss) attributable to: | | | | | | |
| | a) Owners of the Company | 14,564.58 | 15,400.10 | 9,040.67 | 42,395.77 | 33,513.13 | 50,428.84 |
| | b) Non-Controlling Interest | 27.22 | (24.74) | 26.70 | (82.72) | 51.58 | 61.63 |
| 12 | Paid-up equity share capital - face value of ₹ 2 each | 1,886.41 | 1,886.41 | 1,886.41 | 1,886.41 | 1,886.41 | 1,886.41 |
| 13 | Other equity | - | - | - | - | - | 349,484.40 |
| 14 | Earning per equity share (EPS) in ₹ (not annualised) | | | | | | |
| | Basic | 16.55 | 16.14 | 13.67 | 47.58 | 37.64 | 54.16 |
| | Diluted | 16.55 | 16.14 | 13.67 | 47.58 | 37.64 | 54.16 |

Notes:

- The above unaudited consolidated financial results for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on 31 January 2020. These unaudited consolidated financial results are subjected to Limited Review by the statutory auditors of the Company. The statutory auditors have expressed an unmodified conclusion.
- The unaudited consolidated financial results are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016.
- The unaudited consolidated financial results comprises of the results / financial information of the Holding Company, i.e., AIA Engineering Limited, and its subsidiaries namely - Welcast Steels Limited - India, AIA CSR Foundation - India, Vega Industries (Middle East) F.Z.C. - U.A.E., Vega Industries Limited - U.K., Vega Industries Limited - U.S.A., Vega Steel Industries (RSA) (PTY.) Limited - South Africa, Wuxi Vega Trade Co., Limited - China, PT. Vega Industries Indonesia - Indonesia, Vega Industries Chile SPA - Chile, AIA Ghana Limited - Ghana and Vega Industries Australia Pty. Ltd. - Australia.
- Effective 1 April 2019, the group has adopted Ind AS 116 - Leases using modified retrospective approach. On account of such adoption of the new standard, the group has recognised right of use asset and a corresponding lease liability. The adoption of the standard did not have any material impact to the profit of the group.
- The Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded / remeasured using the new tax rate and the resultant impact is recognised in the previous quarter's financial results. Pursuant to the selection of this option, the Company has reversed deferred tax liabilities amounting to ₹ 2,066.17 lakhs due to reduction in corporate tax rate during previous quarter. Welcast Steels Limited, the subsidiary of the Company has decided to exercise the option permitted under Section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded / remeasured using the new tax rate and the resultant impact is recognised in the previous quarter's financial results which is not material to the unaudited consolidated financial results of the group.
- The group has only one reportable primary business segment as per Ind AS 108 - "Operating Segments", i.e., Manufacturing of High Chrome Mill Internals.
- Figures for the previous period have been regrouped, reclassified and restated wherever necessary to make them comparable with the current period's figures.

**By Order of Board of Directors
For AIA Engineering Limited**

Place: Ahmedabad
Date: 31 January 2020

(Bhadresh K. Shah)
Managing Director
DIN:00058177